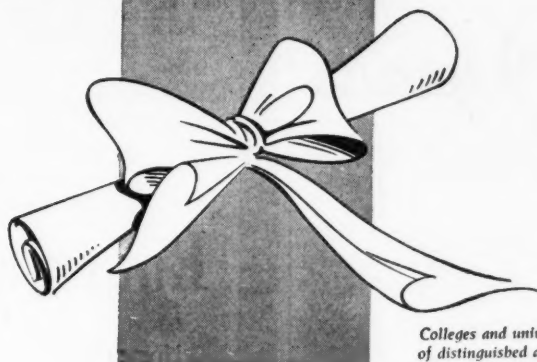


# *The* NATIONAL UNDERWRITER

*Life Insurance Edition*

## Summa Cum Laude



Colleges and universities honor students of distinguished accomplishments by awarding diplomas "Summa Cum Laude" (with highest praise).

We have frequently told the success stories of men attracted to the Franklin banner after previous insurance experience. But what about those who started from scratch? What about the genuine Franklin "alumni?"

"We point with pride" is an inadequate understatement.

Of the top twenty-two Franklin production leaders, fifteen are Franklin "alumni." One had failed with another company and was out of the business. Four came from the investment field. Five were teachers. One was a wholesale grocer; one a retail grocer. One came from a state insurance department. Two had little previous business experience.

In view of the phenomenally high average earnings of the Franklin representatives we consider this conclusive evidence of the high calibre of Franklin policy forms, sales tools, and training methods.

Yes, the Franklin Life attracts successful men and women. It also makes successful men and women.



### *The Friendly* **FRANKLIN LIFE INSURANCE COMPANY**

CHAS. E. BECKER, PRESIDENT

SPRINGFIELD, ILLINOIS

DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

Over \$345,000,000 Insurance in Force

**FRIDAY, JANUARY 11, 1946**



## Across the past 79 years

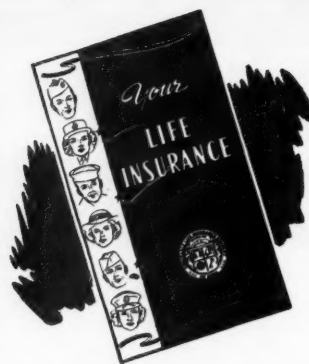
**B**ACK in 1867, seventy-nine years ago, a suspension bridge was erected across the Ohio River at Cincinnati. One of the earliest and considered to be one of the finest of its kind, this bridge has become an important link connecting the North and South.

During that same year, the Union Central Life Insurance Company sold its first policy. Today it is among the fourteen life insurance companies in America with over \$500,000,000 in assets.

Just as Cincinnati's suspension bridge connects the North and South, so has the spirit of cooperation bridged the gap between the Cincinnati home office and U. C. agents everywhere. Proud of its continuous growth, Union Central is also proud of the fact that it is known as "an agents' company."



**The UNION CENTRAL LIFE INSURANCE COMPANY**  
CINCINNATI, OHIO  
OVER \$500,000,000 IN ASSETS



"The new booklet, **YOUR LIFE INSURANCE**, is just what we who are now far from home want and need. Please send me 25 copies so that I can pass them on to others over here."

And so, in substance, have read numerous letters from our men in the armed services, following their reading of the Company's 32 page booklet on National Service life insurance.

Information and advice, if sufficient and impartial, is always appreciated. That is why the life underwriter under arms, his buddies, and his loved ones at home, all regard *Your Life Insurance* so highly. It is concerned only with the serviceman's life insurance problems. It outlines clearly the unique benefits of National Service life insurance. It urges the serviceman, without exception, to retain and convert to a permanent plan his government policy, and it tells him exactly how to get that job done with a minimum of effort.

## EQUITABLE LIFE OF IOWA

*Founded 1867*

Home Office

Des Moines

## STATEMENT OF FACT OF INTEREST TO EVERY LIFE INSURANCE SALESMAN

**HAVING** a good thing to sell is over half the battle; this is an axiom understood and appreciated by every salesman. Last year, Modern Woodmen Agents sold 30.8 more new business than in the preceding year—the increase in the industry, as a whole, was only 3.4 for the same period.

increase of  
new business  
in  
life insurance  
1944 over 1943



ALL COMPANIES



MODERN WOODMEN OF AMERICA

Why? Just this: Our men had a good thing to sell. Our Agents made money last year, are making it this year and will continue to do so . . . because of a liberal compensation plan, aggressive field work and sympathetic Home Office co-operation. YOUR inquiry into the possibilities of a connection as a personally producing District Manager, in charge of other men, is cordially invited. Generous financing plan offered. Write, without obligation, today.

**FIELD DEPARTMENT**  
**MODERN WOODMEN OF AMERICA**  
1502 Third Avenue, Rock Island, Illinois

**Insurance in Force - Over One-Half Billion Dollars**



## Prudential Brief to High Court in S. C. Tax Case

### Asks Complete Develop- ment of Issue Through Argument and Review

WASHINGTON — Prudential has filed with the U. S. Supreme court a brief in opposition to motion to dismiss or affirm, in its case against Commissioner Benjamin of South Carolina. The company says federal questions involved are substantial and that the judgment of the South Carolina supreme court should be reversed.

South Carolina tax statutes are declared to constitute a "direct and unreasonable burden" upon interstate commerce. Such discrimination is declared to violate constitutional provisions, and such tax statutes are said not to be "within the regulation or taxation contemplated under the McCarran-Ferguson act (public law 15)."

### Discrimination Is Alleged

Answering six propositions submitted by the state in support of its motion to dismiss or affirm, Prudential insists the South Carolina law discriminates against foreign companies. The Carolina court's ruling to the contrary is declared opposed to undisputed evidence and injected an issue not warranted by the record in the case.

Not only are ad valorem property taxes paid by domestic companies neither corresponding nor correlative, taxes, says the company, but also even if such taxes be considered as corresponding or correlative, there was no evidence that property taxes paid by domestic companies offset the discrimination of premium taxes.

The company contends that state taxation and regulation must not unjustly discriminate against, nor be a burden upon, interstate commerce, as the Carolina laws involved do.

### Not Purely Intrastate Tax

The South Carolina tax is not purely on Prudential's intrastate activity the Supreme Court is told in the brief, even though the tax is based on premiums received from the company's business in that state during the preceding year. The tax is declared to be on the company's interstate business, even though measured by gross premiums received in the state. A state may not impose discriminatory taxes or licenses upon the privilege of engaging in interstate commerce, it is argued.

The company does not claim the state tax violates the 14th equal protection amendment, but does insist that it violates the commerce clause and is therefore, unconstitutional.

Public law 15, the court is told, does not validate the state premium tax laws. That act was not intended to, nor could it legally, permit discriminatory regulation or taxation of interstate commerce in the Prudential's conduct of business in South Carolina.

### Effect of Public Law 15

That law merely indicates Congress' intent to allow such continued state regulation as is not discriminatory against foreign companies and to give them "a

(CONTINUED ON PAGE 9)

## Argue Commerce Case in U. S. Supreme Court

### Justices Ask Many Questions in Robertson vs. Cal. Contest

WASHINGTON—After some delay due to hearing the appeal in behalf of Jap Gen. Yamashita, the Supreme Court began hearing arguments Tuesday afternoon in No. 274, F. O. Robertson vs. People of the State of California, involving the surplus line law of that state and its application to a policy in First National Benefit of Arizona sold by Robertson to A. J. O'Lein, a California resident.

First National's case was represented in argument by Robert R. Weaver, Phoenix, while Earl Blodgett, Los Angeles; M. Arthur Waite, district attorney of Ventura county, Cal., and T. A. Westphal, Jr., deputy attorney general, appeared for the state.

There were a number of persons having connection with the insurance industry sitting in at the arguments, in recognition of the importance of this case presenting issues arising under the S.E.U.A. decision with relation to the commerce clause of the constitution. They included John McFall, vice-president U. S. F. & G.; J. Raymond Berry, general counsel National Board; Sidney Hilton, attorney Life of Virginia; Thomas Moore, actuary Virginia department; J. V. Bloys, assistant general counsel Life Insurance Association of America; Prof. Noel T. Dowling, Columbia University, who is credited with writing public law 15; Francis Gorman, Department of Justice attorney who was in charge of insurance matters in the anti-trust division. The government is interested in how the court applies its S.E.U.A. decision, it was indicated.

### Ask Many Questions

Members of the court asked many questions, Justice Frankfurter in particular being interested in finding out how far the state of California could go; could it exclude a company for any reason it pleased?

Westphal replied he did not think it could. "I doubt the state could arbitrarily exclude a company," he said. And reference was made in that connection, both by Justice and attorney to due process.

Mr. Weaver, first speaker, for First National, reviewed briefly the facts in the case and replied to certain statements in briefs on the other side.

"What was unlawful," suddenly asked Chief Justice Stone.

The reply was lack of license. Weaver declared "There is no provision in California law whereby this insurer could have transacted interstate business with anybody in California, unless the insurer is licensed to do business there."

Stone remarked that the actual effect of the law is to prohibit the company from business in California, Frankfurter brought out the insurer cannot get a license there.

(CONTINUED ON PAGE 9)

### N. Y. Files Brief —Brokers and Agents Groups Enter Battle

WASHINGTON—Supporting California law, briefs have been filed with the Supreme Court in No. 274, F. O. Robertson vs. People of the State of California, by counsel representing the state of New York and several insurance industry groups, in the capacity of amici curiae. The groups include California Association of Insurance Agents, California State Association of Life Underwriters, Insurance Brokers Exchange of California, Insurance Brokers Society of Southern California, Surplus Line Association of California, and Society of Insurance Brokers.

That the constitutionality of the California statutes challenged in the case should be sustained, is the conclusion of the New York brief, filed by Attorney General Goldstein, on the basis of the following argument:

### Police Power Argument

The business of insurance is clothed with a public interest, and is subject to the regulatory police power of the states. As long as Congress does not legislate in that field, state laws, designed for the protection of their residents, may not be invalidated on the ground that interstate commerce is affected.

Until Congress occupies the field, state regulatory provisions, enacted in the exercise of the police power, are valid even though interstate commerce is affected.

Nothing in the S.E.U.A. decision justifies the conclusion that activities of persons within a state, acting on behalf of insurance companies doing an interstate business, may not be subjected to regulation under the state police power. On the contrary, the S.E.U.A. opinion expressly vouchsafes such right. In any event, Congress, by the enactment of public law 15, has sanctioned state regulation and completely dispelled any possible basis for appellant, Robertson's, assertions.

### Safety, Health, Morals

The insurance groups named above say in their brief that "they are convinced that the particular regulations at issue in this cause are essential for the protection of the safety, health, morals, good order and general welfare of the people of California, and, therefore, constitute a valid exercise of its police power."

In conclusion, this brief says there is no evidence that Robertson could not have obtained a surplus line broker's license or an agent's or broker's license, or that he could not have legally participated in the O'Lein-First National Insurance transaction under such licenses; or that First National would have been denied, or could have qualified, for admission to California. That

(CONTINUED ON PAGE 9)

## N. W. Mutual Men Hear Bullish Messages on '46

### Cleary and Hill Sound Optimistic Notes at Eastern Rally

NEW YORK—More than 500 attended the first eastern regional agency meeting of Northwestern Mutual Life held since the war started, a two-day session here last week.

Although the final figures have not been added up, the company had more than a 20% increase in 1945 over 1944 in new business, M. J. Cleary, president, reported. It was altogether a good year except for the fact that the company, along with other financial institutions, was forced to take on new investments, refundings, etc., at rates of interest lower than in the year preceding.

Northwestern Mutual had approximately \$3,948,000,000 in force at the end of 1940. The 1945 total will be more than \$4,670,000,000 Mr. Cleary said. The company at the end of 1945 will show a voluntary termination rate undreamed of before, he added. For the first 11 months this was .8010 in round figures, and includes lapses, surrenders and expiries.

### Lapse Rate 3%

From 1924 to approximately 1930, Northwestern Mutual had a first year lapse rate of 7%, and this was considered exceptionally good. It naturally went up in the 1930s, but by 1941 it had been reduced to 7% again. In 1945 on 1944 business the first year termination rate will be around 3%, Mr. Cleary said.

Mortality is down about four points at the end of 1945, Mr. Cleary reported, compared with 1944. This is considered exceptionally good, since each point represents a saving of approximately \$500,000. Mortality, he said, will be an increasingly important factor along with the expense item as interest rates continue to decline.

In the investment field, Mr. Cleary added, the company had no bonds in default at the end of 1945. There is about \$500 million in public utility and industrial bonds, and the company has not lost a nickel on these items. In the state and municipal portfolio there has been a minor loss on interest. The company will sustain some net loss on railroad securities, he said. At the beginning of the war the company owned 3,000 farms; the number is now less than 300. When the farms are liquidated the company will have gotten back every dollar invested, including lawyers' fees and other expense items, plus a very satisfactory income for the time the farms were held. Only one piece of city real estate is now owned, and the total loss in this field over the years since the beginning of the depression, will be very modest, he said.

The years have demonstrated that a life insurance company is amazingly capable of absorbing a tremendous amount of strain, Mr. Cleary stated. There is no reason why life insurance

(CONTINUED ON LAST PAGE)



M. J. Cleary

## Life Companies Report on 1945 Results

	New Bus. 1945	New Bus. 1944	1945 Inc. In Force	1944 Inc. In Force
Business Men's Assurance.....	49,881,465	41,600,519	27,349,590	22,300,620
Columbus Mutual .....	16,348,099	14,014,534	12,147,543	9,449,590
Confederation Life .....	68,910,838	62,238,340	43,553,318	39,927,328
Equitable Life, Ia. ....	74,046,203	56,832,153	50,526,076	35,324,647
Fidelity Mutual Life.....	46,266,189	36,172,446	31,112,802	22,650,421
Imperial Life, Can. ....	44,859,729	37,771,624	27,283,726	21,570,722
Knight's Life .....	42,220,325	43,672,954	19,656,033	24,028,539
National Life, Vt. ....	78,412,196	61,572,948	57,569,656	41,536,076
Northwestern Mutual Life.....	319,414,549	265,152,571	233,325,277	180,030,831

\*Exclusive of dividend additions and annuities.

## Agent's Earnings Disqualify Him for SS Benefits

LOUISVILLE—An insurance agent or solicitor is an employee and not an independent contractor, according to a ruling of Federal Judge Miller at Louisville Jan. 2, in a case involving Charles K. Johnson against the social security board.

Mr. Johnson, a retired employe of Southern Bell Tel. & Tel. Co., and beyond 65 years of age in September, 1943, became a special agent for Penn Mutual Life. The social security board ruled that his earnings were in excess of \$15 a month and that he was not entitled to social security benefits, in that he was employed.

Mr. Johnson contended that he was not an employe of Penn Mutual but an independent contractor, paid on a commission basis, that his time was his own, that he worked as it suited him, and that he was not under the direction of Penn Mutual.

The board ruled the facts constituted the relationship of employer and employee and Judge Miller upheld the board's ruling and sustained the motion for a summary ruling. The court also pointed out that a special statutory exemption excludes insurance agents from the social security act, but that factor was not present in the case.

### Not Company Question

The case reflects a disagreement between the social security board and the Treasury Department as respects the status of commission-compensated insurance agents. Some years ago the Treasury adopted a ruling that such agents are independent contractors, and that no tax need be paid by them or on their behalf for old age and survivors benefits. Of late, however, the social security board has taken the opposite view and has been allowing such agents if they cease work after age 65 to collect old age benefits even though no social security tax had ever been paid on their earnings.

The question is one to which the insurance companies are not a party and appears to have no immediate significance for them. Apparently, however, the social security board is maneuvering to bring agents into the social security fold. By continuing to pay old age benefits the board places itself in a position to go to Congress and point out incongruities between paying benefits to agents and collecting no tax on them. Another and more immediate possibility is that the House ways and means committee will shortly propose amendments to the social security act to extend its coverage to the self-employed and will place agents in the self-employed class. Congress and most of the states have already legislated to make agents operating as independent contractors exempt from the unemployment provision of the social security act.

### Hint D'Olier May Be N. J. Candidate for Governor

In a story headed "D'Olier May Head Republican Slate," Sunday's New York "Times" said that "Col. Franklin D'Olier, retired president of the Prudential Insurance Co. is considered by some political observers as a candidate who would prove acceptable both to state Republican Chairman Lloyd B. Marsh and Arthur T. Vanderbilt, leader of the Essex 'Clean Government' faction."

Col. D'Olier, who recently became chairman of Prudential, has been suggested as a dark-horse gubernatorial candidate in view of reports of an impending rift in New Jersey's Republican ranks. Republican leaders, according to the "Times" story, are agreed that the early selection of a harmony candidate would go far to avoid a primary fight in May.



Paul F. Clark, president John Hancock Mutual Life, points out a feature on a scale model of the new home office structure to U. S. Senator David I. Walsh and Guy W. Cox, board chairman of John Hancock. The new building, planned for early construction at an estimated \$15,000,000, will be Boston's tallest, towering 26 stories.

## Move to Fill Colhoun Vacancy

W. H. Andrews, Jr., Jefferson Standard Life, Greensboro, has been appointed chairman of a special nominating committee to make recommendations for filling the vacancy on the board of trustees of the National Association of Life Underwriters that was caused when E. Dudley Colhoun became ineligible to continue in office. Mr. Colhoun has been appointed superintendent of agencies of Shenandoah Life, thus taking him out of the field ranks.



W. H. Andrews, Jr.

The committee must submit its report to the secretary, for transmission to the board in ballot form by Jan. 30, and those that desire to make recommendations to the nominating committee must do so prior to Jan. 21. Other members of the nominating committee are John D. Moynahan, Metropolitan Life, Berwyn, Ill., and Alfred C. Duckett, Northwestern Mutual, Los Angeles.

The procedure for filling a vacancy is that which was prescribed in a resolution adopted by the trustees at the Chicago meeting last August.

Under this procedure the president names three trustees as a special nominating committee; the secretary notifies all members of the national council of the existence of the vacancy and extends to them an invitation to submit to the nominating committee the names of and endorsement of any candidates they may wish to propose.

Among the prominent possibilities to fill the Colhoun vacancy are Manuel Camps, Jr., Ralph Trubey and Herbert R. Hill.

Mr. Camps, who is general agent for John Hancock Mutual at New York, was an unsuccessful candidate for trustee in 1944 and he went down to defeat in an especially sportsmanlike manner. He would not consent to be a candidate in 1945.

Mr. Trubey, who is general agent for Guardian Life at Fargo, was a candidate for trustee in 1945, but his campaign was late in getting started. He has long been a leader in his state and has a national reputation.

Mr. Hill is home office general agent for Life of Virginia. He is chairman

## L. I. A. M. A. Starts with 160 Members

HARTFORD — Life Insurance Agency Management Association, which started operations last week as successor to Sales Research Bureau and the Association of Life Agency Officers, began with 160 charter members, a net gain of 24 companies over the previous organizational setup. The member companies represent 94% of the life insurance in force in the United States and Canada.

The Research Bureau started last year with 136 member companies and during the year 14 new companies joined. With the exception of two small companies absorbed by other companies, all previous members of the bureau and the 14 new members have become charter members of L.I.A.M.A.

In addition, 12 companies which were members of the A.L.A.O., but not of the bureau, have also become charter members of the L.I.A.M.A.: American Reserve, American United, Bankers Union, Business Men's Assurance, Home Life of Philadelphia, Lincoln National, Policyholders National, Travelers, Western & Southern, State Life of Indiana, Western Reserve, Reserve Loan.

## Conn. Mutual '45 Sales Near Record

In 1945 the new life insurance placed in Connecticut Mutual amounted to \$127,916,014, an increase of 18% over the amount paid for in the previous year. Only once in history has this production been surpassed.

The gain in insurance in force of \$85,988,299 is the largest in history and brings the total amount to \$1,381,547,564. The increase amounted to 67% of the year's new paid business.

Fifty-seven of the 72 agencies topped their 1944 production figures. The leading office in volume was the John M. Fraser agency, New York, with a total of \$9,264,852. Runner-up was the Meyer M. Goldstein agency, also in New York City, with \$8,855,471. Leader in percentage increase over 1944 was the A. Van Pritchard agency in Memphis. Second was the Walter W. Peterson agency, Fort Wayne, Ind.

of the program committee for the Cleveland convention this fall and he comes from the same state as Mr. Colhoun.

## Medical Society Takes Stand on Truman Proposals

NEW YORK—Substantial agreement with four of the five recommendations made by President Truman to Congress on medical care is expressed in a report of the committee on medicine and the changing order of the New York Academy of Medicine. The four points endorsed in principle are an increased hospitalization construction program, expansion of public, maternal and child health services, governmental aid for medical education and research, and an insurance program to protect workers against wage loss from sickness and disability.

The committee definitely opposes the proposal for compulsory national medical insurance, stating that such a plan is extremely complex, "and involves not only the care of the sick but also the content and structure of medical education and the broad fields of social, industrial and preventive medicine." Inordinate demands of patients and unnecessary service by doctors are cited as possible evils of such a system, and political influence and patronage are held as an ever-present danger.

### Should Try Other Things

The committee pleads for "carefully planned and regulated experimentation" before any medical insurance plan is adopted. It is also urged that voluntary non-profit insurance be given a thorough trial as a means of providing medical care of the low income group, that group practice be fostered, and that federal or state grants-in-aid be made available when necessary.

The New York "Times," commenting editorially on the report, stresses the danger of political influence, "although the British experience indicates that this is not as bad as it is often painted. What must be stressed is the poor quality of medical care that has been given under compulsory insurance plans. The quality of medical care is of prime importance and must be emphasized."

It is pointed out that material extension of coverage by voluntary insurance would involve compelling the payment of taxes for use as direct subsidy to take care of low income groups and the indigent. Compulsory insurance would cost up to \$4 billion annually. Perhaps a combination of voluntary and compulsory insurance would do much to cut down the huge bill, though state and government subsidies would inject the political factor.

### Need Program Now

"If organized medicine fields and that the American Medical Association may evolve a system that will work. However, time is of the essence and we cannot wait for a variety of study and experimentations conducted at local levels. There is need for a broad health insurance program now. The coverage must be comprehensive and the scope national."

"Many county and state medical societies are already operating successful voluntary health insurance programs. In Michigan there are 800,000 members and the plan there has worked successfully for three years."

"If organized medicine fields and compulsory health insurance is not the answer to this admittedly pressing problem, organized medicine must supply the answer. By utilizing the experience of existing voluntary medical and hospitalization plans, with grants-in-aid for the indigent and low income groups, and with bold leadership, a satisfactory national voluntary program could be achieved," the Times suggests.

George L. Harrison, president of New York Life, has been appointed a member of the research committee of the Committee for Economic Development.



## Roseate Prospects for 1946 Seen by Claris Adams

### Productivity and Prosperity Ahead, A. L. C. President Points Out

In many ways life insurance enters 1946 with roseate prospects for its greatest year, Claris Adams, president of Ohio State Life, asserted in his review of the year as president of the American Life Convention. "As never before, the people are 'sold' upon life insurance. Never did any private enterprise hold the confidence of the people in such high degree. Practically all economists agree that if we have enough intelligence to achieve international accord, to solve industrial conflicts and establish a sound governmental financial program, America has years of great productivity and prosperity ahead. If America prospers, life insurance will prosper," he declared.

#### Greater Rewards to Agents

"Perhaps never before has the career of life underwriter offered such great rewards. As reconversion progresses we will have greater competition for the people's dollar. Such competition, however, should not dismay us. The greater the sale of products, the greater the productivity of the country, the greater the diffusion of income, the larger our volume of good prospects. Ten million young soldiers are coming home. Most of them have been introduced to the advantages of life insurance. Many of them are establishing households and beginning to rear families. This is the natural field of life insurance selling. There never was a time when the alert, well trained, highly proficient life agent could look forward to such bright prospects of success. But never was there a time when the ill-trained, inept and inefficient agent will be so costly to the companies, so detrimental to the institution and so surely doomed to failure," Mr. Adams pointed out.

#### Interest Rate Factor

The continued decline in interest rates occasioned in part by economic causes and in part by monetary manipulation and inflationary fiscal policy is a matter of concern. The easy money policy of the government is paid for by the savers of the nation. It results in higher cost of life insurance and lower income to needy beneficiaries, principally widows and orphans and aged persons. Could the life companies earn for their policyholders upon their present assets the rate of return readily available just a few years ago they could distribute over \$500 million more in benefits in 1946. Continued pressure upon interest rates, induced in part at least by an inflationary method of deficit financing and monetary manipulation, would continue to dilute the savings of the nation and raise life insurance costs.

Mortality experience has been more favorable than expected. Notwithstanding an appreciable volume of war losses, and in spite of the great doctor shortage on the home front, the death rate has been lower during the war period than in many of the pre-war years, Mr. Adams reported.

The passage of public law 15, and recent clarifying decisions of the Supreme Court supporting the right of Congress to consent to state regulation and taxation of companies engaged in interstate commerce, seem to provide a basis for the hope that the present system of

(CONTINUED ON PAGE 9)

## Tatlock Treasurer of Prudential; Others Elected

Prudential has elected several new officers. H. Woodruff Tatlock, assistant treasurer has been elected treasurer to succeed Clifford W. Brown, recently retired. David M. Scott, supervisor becomes assistant treasurer. Edward M. Neumann, assistant actuary was elected an associate actuary, and two new actuaries are James R. Dalrymple and Bert A. Winter, they having been actuarial supervisors. William Mitscher, who has been assistant treasurer was promoted to assistant secretary.

Mr. Tatlock entered the investment field with Graham Parsons & Co., later joining Hayden Stone & Co., and the Westchester Title & Trust Co. of White Plains, N. Y. In 1927 he entered Prudential's bond department as statistician and assistant manager. He was appointed assistant treasurer in 1941.

Mr. Neumann, fellow of the Actuarial Society of America and the American Institute of Actuaries, on graduation from Rutgers University in 1926, joined Prudential as an actuarial clerk and has been an assistant mathematician and assistant actuary.

Other appointments announced by Prudential are: James R. Reynaud, from assistant supervisor to supervisor; Richard S. Hevenor, from manager of northern New Jersey loan office to supervisor in the home office; E. A. Evans from manager, ordinary service department to assistant supervisor; Bernard H. Jones, from supervising manager mortgage loan department real estate division, to assistant supervisor and Warren P. Kinsey, from assistant manager ordinary policy to manager of the same department.

Two field promotions are Milford W. Schueler from assistant manager at

## Pontius Fidelity Mutual V. P. and Manager of Agencies

Calvin L. Pontius, manager of agencies since January, 1944, has been elected vice-president and manager of agencies of Fidelity Mutual Life. Richard H. Hollenberg, attorney in the law department, has been appointed assistant counsel.

C. J. R. Sproule, investment officer, a veteran of nearly 50 years of service, was retired.

W. K. Miller, second vice-president, also was retired after 40 years of service.

#### Started in Indianapolis

Mr. Pontius' insurance experience began in Indianapolis in 1924 as agent of Canada Life. In 1931 he joined Northwestern Mutual at Minneapolis as a supervisor. Four years later he went to Fidelity Mutual as supervisor of agencies.

For several years after leaving University of Minnesota, Mr. Pontius sold investment securities before entering insurance.

A graduate of University of Pennsylvania law school, Mr. Hollenberg, in 1932, joined the law firm of Brown & Williams, resigning after three years to enter Fidelity Mutual's law department.

Mr. Sproule started with Fidelity as a bookkeeper in 1896, later becoming secretary of the policy department, treasurer in 1930 and a year later manager of the mortgage and real estate features of the investment department.

In 1944 he became investment officer.

Kansas City to farm loan manager of that office and Edward C. Rogers from assistant manager southeastern branch office to manager of that office.

## Mass. Mutual Embarks in Group Field

### T. J. Connell Heads Department—To Offer Group Permanent

Massachusetts Mutual Life this week formally announces its entry into the field of group, group permanent and similar forms.

The management observes that during the past few years, there has been a marked trend toward wholesale buying of insurance and pension benefits, through employers for the benefit of their employees. "Pension trusts are one manifestation of this trend, and it appears likely that in the future not only pension plans but also insurance coverage in an increasing measure will be handled through the medium of groups."

Thomas J. Connell, who has had many years' experience in the group field, has been engaged as manager of the group department.

Mr. Connell went with John Hancock Mutual in 1926 as home office representative of the group department and became a successful producer. From 1929-1934, he was home office group representative for Prudential and made an outstanding sales record during those depression years. He was then appointed assistant manager for the same company, in its La Salle ordinary agency in Chicago where he served until 1936, when he returned to John Hancock as group field supervisor. Working in that capacity, he reorganized the field representation, built and trained a sales force, and developed new sales methods and a group publicity program.

In 1942, Mr. Connell was appointed assistant manager, group department, for John Hancock.

Massachusetts Mutual has been highly successful in the pension trust field during recent years, and it is felt that the experience of its agents in that selling will prove valuable in their contacts with organizations representing opportunities for the placing of group coverage.

The writing of group business will be restricted to the full-time field force.

## Home Life Average Policy \$10,060

New high records in Home Life of New York were set in 1945 in paid business, gain in insurance in force, and in the size of average policy.

Paid business last year surpassed by 6.7% the previous high mark established in 1929, while the volume for 1944 was exceeded by 25.5%.

The gain in insurance in force in 1945 was 35.2% greater than in the previous year, representing a gain of 8.7% over the amount in force Dec. 31, 1944 and being substantially more than the entire paid business of Home Life in 1933.

Particularly outstanding was the average policy of \$10,060 written last year. This is nearly \$1,300 in excess of the average policy written in 1944 and thus gave Home Life for the eighth successive year leadership in average policy size among all companies with over \$100 million in force.

## The Second Door Opens

There was a certain prospect bureau lead handed to an underwriter, a new man, with the suggestion that he go see the beneficiary of a recent claim. He did nothing—"wasn't his type of business."

The lead was then handed to an old-timer, who went to see the beneficiary, an old friend of the former insured.

The beneficiary was no prospect for insurance; he was elderly and could not afford an annuity. But the underwriter explained the benefits of retirement income for younger men, and asked for information about men in the beneficiary's business.

The underwriter learned of a son-in-law with children, and was introduced. The result was a sale of \$5,000 retirement income. When delivering the policy, the underwriter made up an insurance digest of the new insured's coverage, and placed an additional \$5,000. Further still, he has lined up more business with the new policyholder and his children.

A prospect lead may mean no direct business, but the collateral possibilities are endless when the underwriter has the vision to see that a door opens to other doors.

\* \* \*

## THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON  
President

INDEPENDENCE SQUARE, PHILADELPHIA

## Tell Significance of Minn. Air Clause Decision

Under the 1943 and 1945 aviation exclusion clause laws of Minnesota, an exclusion such as that in a Fidelity Mutual Life contract that was held illegal by the Minnesota supreme court, would now be permitted, it is believed. The decision in the Fidelity Mutual case was reported in the Jan. 4 edition.

In 1940 Fidelity Mutual issued a policy in the amount of \$5,000 to Eugene Shank, pilot for Northwest Air Lines. It contained Fidelity's standard aviation exclusion clause which limited liability to the policy reserve in event of death from "service, travel or flight in any species of aircraft." Mr. Shank was killed in 1943 as the result of a crash of the airliner.

The Minnesota laws at that time prohibited issuance of an aviation exclusion clause but there was a statute permitting the issuance of a special form of policy on the life of persons engaged in hazardous occupations under which the insurer might validly limit liability to the policy reserve. The supreme court took the narrow opinion that the insurer was permitted to so limit liability in the event of death from "service" in an airplane in cases where the insured is a pilot. However, the supreme court in reversing the decision of the trial court held that the unauthorized words "travel" and "flight" so tainted the contract with illegality that the entire aviation clause was void and Fidelity, therefore, was liable for the full face amount of the policy.

The beneficiary conceded that had Fidelity limited its exception to death from service in a hazardous occupation, in this case service as an aircraft pilot, the extra hazardous clause would be valid.

## Union Seeks N. Y. Amendment

NEW YORK—The C.I.O. industrial agents' union has been engaged in mobilizing its membership to urge passage of an amendment to the New York insurance law to permit payment of 6½% on monthly renewal business instead of the present 5%. This measure has been defeated for several years in the legislature. The measure has been supported by Prudential but opposed by Metropolitan.

## M. A. Menge Actuary of People's Life, Washington

Milton A. Menge, actuary of the South Carolina department, has resigned to become actuary of Peoples' Life, Washington, D. C. His successor has not yet been selected.

Mr. Menge had been South Carolina actuary just a few months. Previously he was actuary of Liberty National Life. He is one of three actuarial brothers. The others are W. O. Menge, vice-president of Lincoln National Life in charge of ordinary issue, and Carlton H. Menge, actuary at South Bend of the Conservative Life division of Central Life of Illinois.

## U. of Michigan Graduates

All three are graduates of the actuarial science course at University of Michigan, W. O., class of 1925; C. H., 1929, and M. A., 1931.

The Menge brothers share honors with the Shepherd actuarial trio—C. O., Travelers; Pearce, Prudential, and Bruce, Life Insurance Association of America.

O. J. Arnold, president of Northwestern National Life, will be one of those attending the testimonial dinner in Washington Jan. 18 for Ted R. Gamble, director of the war savings division of the Treasury Department, and Robert Coyne, national field director, who are retiring to private life. The dinner is being given by the state war savings charmen and Mr. Arnold occupies that position in Minnesota.

## Lyman Back at New Orleans Post

Harris G. Lyman has received his discharge from the army air corps and has returned to his post as general agent for Connecticut Mutual at New Orleans.

Closed during Mr. Lyman's absence, the agency office will now be located in the Baronne building.

Mr. Lyman entered the air corps in 1942, as a second lieutenant and for



HARRIS G. LYMAN

three years was stationed at Ellington Field, Tex., as squadron commander, personnel officer and assistant director of maintenance and supply. Last June, he was transferred to the flying training command headquarters, Fort Worth, as assistant administrative inspector with the rank of captain.

## In Business Nine Years

He attended University of the South and Tulane, beginning his life insurance career in 1932. He became a supervisor for Connecticut Mutual at New Orleans in 1938 and was advanced to general agent in 1941.

## Indiana U. Starting Life Course at East Chicago, Grimm to Be Instructor

EAST CHICAGO, IND.—G. L. Grimm, agency assistant of the Fowler agency of New England Mutual at Chicago, will conduct a course in life insurance principles at Indiana University's extension division here. Classes will be held every Monday evening from 6:45 to 8:45, beginning Feb. 4 and running for 17 weeks.

This is the first life insurance course offered by the university branch, which has conducted fire and casualty courses for several years with great success. There have been many requests for a life insurance course in the Calumet area and a large enrollment is anticipated.

## Is Experienced Educator

Mr. Grimm is a competent and experienced instructor, having taught similar courses for a number of years at Northwestern University and Central Y.M.C.A. College in Chicago and conducted C. L. U. review courses for the Chicago Association of Life Underwriters. In addition to his field work, he has spent considerable time in the home office educational department of New England Mutual. The course will stress the fundamentals of life insurance, including policy forms, organization and application of life insurance to personal and business situations. Enrollments may be made through H. W. Norman, executive secretary of the university branch.

## Interest Shown in Partnership Moves

BOSTON—A progressive step in general agency management and control which will be watched with interest is being adopted by President George W. Smith of New England Mutual Life, already in effect in several leading cities of the country and will doubtless be effected in other municipalities.

New England Mutual, in addition to its representative general agencies in many cities, has noted with satisfaction the growth here and there of strong individual agents of unusual calibre and efficiency, some with large personal volume of business, others displaying marked executive ability.

Recognizing the important place these individuals occupy in their own communities and appreciative of their accomplishments, President Smith has arrived at the conclusion that many such individuals can improve their position and give greater service to New England Mutual by combining and consolidating their efforts with the general agency.

In accord with this idea men of special executive ability will find a wider field for their talent as a partner in the general agency, while others having sales and sales training talent, can utilize their powers to excellent advantage.

President Smith has established no definite policy in this regard, but is following the idea wherever and whenever the conditions seem to indicate beneficial results. Already in Columbus, as in Philadelphia, individual underwriters of unusual capacity and talent have been selected to become partners in the local general agency, where their ability can be extended to the greatest advantage. In Los Angeles two such men have by their conspicuous results been chosen to supplement the management of the company's general agency in that field.

It is the belief of the company that such a plan will increase materially the strength and efficiency of its general agencies.

## Buckner Joins Welman for National Life of Vt.

W. Thornton Buckner has become associate general agent with Clyde R. Welman for National Life of Vermont in Memphis.

Mr. Buckner has for 24 years been an agency organizer and agency director with New York Life. He is past president of the Tennessee Life Underwriters Association, the Memphis Life Managers Association and the Memphis C.L.U.

He is the son of the late Walker Buckner, who was executive vice-president of New York Life, and a nephew of the late T. A. Buckner, president and later chairman of New York Life.



W. T. Buckner

## State Mutual to Conduct Refresher for Veterans

State Mutual Life will hold a refresher course at the home office Jan. 21-23 for its agents who have returned from the service. Robert H. Denny, superintendent of agents, will preside.

The course will be devoted to fundamentals of life insurance selling and changes which have occurred in sales methods, the contracts, types of insurance sold and home office practices during the war period. Attendance will be limited to full time State Mutual agents, whose railway fare and maintenance will be paid by the company.

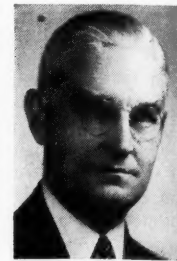
## Girard Life Holds Rally in New York

NEW YORK—Approximately 75 general agents and their wives, agents, and home office executives attended the three-day conference of Girard Life here last week.

The meeting got under way with a luncheon at which President Walter K.



G. A. Adset



W. K. Hardt

Hardt spoke in appreciation of those who had conducted the campaign of which the conference was a climax, and paid tribute to those who had qualified to attend. L. Joshua Weiner, general agent in northern New Jersey, presented awards. On the general committee with him was Walter E. Watt, Cleveland general agent.

Several agents and general agents explained how they sell business in the first afternoon's session. On the program were Philip Freifelder, Harry N. Kemp, Arthur Heck, Albert L. Felsenfeld, and A. Stanley Hyde.

## General Agents' Session

The Friday session was devoted to a program of the Girard Life Agency Association. Harold M. Horne, associate actuary; Gus Jay, Jr., Newark; Ezra C. Anstaett, general agent, and James E. Scholefield, Sales Research Bureau, appeared on the program. At the luncheon Samuel R. Imler, general agent at Johnstown, Pa., presided. Theodore Jay, secretary-treasurer of the Girard Life Agency Association, presented merit insignia awards and Mr. Wiener presented to Mr. Hardt the president's scroll signed by all those who qualified for the meeting. Barry Gardiner, John Hancock's general agent in New York City, spoke. In the afternoon the association held its annual meeting plus a combined meeting of its executive committee with the business extension committee of the board of directors of the company.

## Saturday Morning Program

At the Saturday meeting Dr. William D. Gordon, Philadelphia, a director of the company, was the opening speaker. George A. Adset, executive vice-president, discussed the results for 1945 and goals for 1946, and Walter T. Grosscup, member of the company's business extension committee, composed of directors, "Television and What I See."

In the afternoon there were presentations of awards, special recognition of the president, and a talk by Mr. Hardt.

New officers of the agency association, all general agents, are Theodore C. Jay, Newark, president; L. L. Williams, Detroit, and A. Stanley Hyde, Philadelphia, vice-presidents, and S. R. Imler, Johnstown, Pa., secretary-treasurer.

## Ill. Federation Annual Meeting Set for Feb. 19

Rollin M. Clark, Continental Casualty, Continental Assurance, president of the Insurance Federation of Illinois, has issued a call for the annual meeting of the federation.

It is to be in the form of a luncheon at the Palmer House Feb. 19.



## Tells Technique of Getting Out Statement Jan. 1

Because each year so many letters are received from business contemporaries commenting on Northwestern National Life's ability to issue its complete and final annual statement on the first day of the new year, President O. J. Arnold undertook to describe the statement procedure in a letter to agents this week. He revealed that over a period of 20 years during which Northwestern National has issued its annual financial statement on the first day of the new year, the compiling of necessary data has been so streamlined and systematized that the whole operation now moves like clockwork.

In paying tribute to the man on whom much of the statement responsibility is centered, Mr. Arnold declared: "Although he is quick to insist that teamwork, rather than the efforts of a single individual, is responsible for this annual achievement, much of the credit for it is due E. D. Lacy, assistant actuary and manager of the division of research and audit, who over the years has developed and refined the techniques involved in compiling the statement."

### Outlines the Timetable

Taking production of the 61st annual statement as a typical illustration, Mr. Arnold stated, "Early in December Mr. Lacy's division sent to each department which furnishes information for the statement—15 of them in all—the usual specially prepared forms on which to report the necessary information. At the close of business at 4:45 p. m. on Dec. 31 these reports by the 15 different departments: Premium collection, statistical, actuarial, group, dividend, reinsurance, agency accounting, etc.—were sent to the division of research and audit and were consolidated to produce the statement.

"While, as in past years, a moderate amount of overtime was necessary during the closing weeks of 1945 by several departments, only nine people worked on the statement after the usual closing hour the last day of the year—Dec. 31. Of these, two remained on the job until 8:30 that evening and two others until 9 p. m., leaving five—all of them in the division of research and audit. At midnight the five recessed to the cafeteria for a snack of turkey sandwiches and coffee.

"Mr. Lacy and two others worked on until 3 a. m., when the statement was completed; the remaining two continued on the job until 7:30 a. m., working out the so-called gain and loss exhibit, which traces all of the sources of gain and loss during the year and which is a check against the correctness of the statement itself. The thoroughness of the entire operation is attested to by comments in the triennial convention examination reports from time to time in which the examiners have indicated the company's methods of preparing and assembling annual statement figures produce accurate results and give proper effect to all transactions occurring right up to the end of the year.

### Final Decisions on Policy

"On the morning of New Year's day the statement was reviewed with Mr. Lacy and two or three others to make final decisions with respect to the allocation of the year's earnings and then was sent to the printers.

"The second color of the statement folder was, of course, printed in advance, so that when typesetters and pressmen came on the job at 11 a. m. of Jan. 1 the black 'forms' containing the items in the statement were their only concern. This operation, too, went smoothly, so that during the late afternoon and early evening the mailing department was able to place in the mail nearly 25,000 copies of the statement

## Graded Disability Plan Adopted by Large Drug Company

NEW YORK—A tailor-made disability medical care insurance program has been installed by the Bristol-Myers Co., drug manufacturer, underwritten in part by Occidental Life of California with the company assuming the entire cost. This supplements the pension program handled by Aetna Life. The Bristol-Myers people devised the plan which provides for short and long term disability as well as permanent disability with provisions for medical care, loss of life and unemployment.

Short term disability benefits allow for full salary payable for a maximum period of six weeks, after three months' service as a full time employee. Long term disability benefits commence at the end of the sixth week of incapacity and range from five weeks at 50% of salary after one year of service, to 100 weeks at 50% of salary for 20 years or more of service. Permanent disability benefits, payable after 10 years of service, call for 20% of regular salary with a 2% increase for each year of active service beyond 10 years to a top of 50% of salary for 25 or more years of service right up to the retirement age of 65. Minimum payments are \$50 monthly and \$500 per month maximum. Benefits are subject to adjustment for workmen's compensation payments made to an employee.

### Medical Care Benefits

Reimbursement for cost of medical care is available to employees after three months' service as follows: for any one disability, semi-private hospital accommodations at a cost not to exceed \$420; hospital service charges, \$100; surgical attention \$225; physician's care at \$5 per hospital or home visit and \$3 per office visit; laboratory and x-ray examination, \$25; nursing services \$300. Benefits under physicians and laboratory and x-ray examinations and nursing services are subject to a \$50 deduction.

Employee dependents are insurable under the medical benefits section at a monthly cost of \$3.50 for one dependent and \$5 per month for two or more.

Life insurance coverage for employees ranges from \$1,000 to \$15,000 or approximately equal to regular salary.

If the company discontinues either temporarily or permanently the services of a regular full time employee because of lack of work, he is entitled to 50% of regular salary for four weeks for six months of service up to a maximum of 50 weeks for 10 or more years of service, with minimum benefit \$20 per week and maximum \$100 per week, subject to adjustment for state unemployment benefits.

Bristol-Myers has had group insurance, covering life, sickness and accident, and hospitalization as well as a pension plan. The life insurance was free to all regular employees; the pension was paid for in part by the individual employees and the balance by the company; the accident and hospitalization insurance was paid for entirely by the employees.

Occidental Life agreed to underwrite certain parts of the plan but Bristol-Myers itself underwrites the short term disability and unemployment benefits. The company reserves the right to change or even abandon all or any part of it at any time.

folder which arrived at desks of people in all parts of the country on the first business day of the New Year.

"All in all," Mr. Arnold concluded, "the entire additional expenditure involved in overtime, etc., in getting the annual statement out promptly was less than \$1,000. This may well be less than the operation would cost if it were dragged out over a period of weeks. Certainly the satisfaction to everyone of having it out of the way and being free to concentrate on the tasks ahead is appreciable."

# QUALITY FIELD MEN PRODUCE QUALITY BUSINESS

We are growing, all right... but growth alone is not enough.

It must be *permanent* growth, in *quality* business, before it either reflects credit to the Company or constitutes service to the buyer.

By all standards by which progress may be measured in terms of quality, our record for 1945 and for recent years, is the finest in our history.

We feel this is due to a field force ever growing and strengthening in quality. Every Shield Man is a *full-time* Shield man, seeking the career he knows is here for him. We believe that only with full-time field representation can we preserve the quality already won and continue to serve the public well.



*The*  
**NATIONAL LIFE  
AND ACCIDENT  
Insurance Company, Inc.**



## Fisher Retires as Sask. Superintendent After 31 Years

Arthur E. Fisher, superintendent of insurance and fire commissioner of the province of Saskatchewan for more than 30 years, has retired and been succeeded by J. A. Young, former municipal clerk and administrative officer in the R.C. A.F.

Mr. Fisher was the senior insurance supervisory official in point of service on this continent.

In 1909 Mr. Fisher was appointed district manager for the Mutual Life of New York in Saskatchewan, a position he resigned in 1913 upon his appointment as superintendent for the province.

Additional official responsibilities were added to his duties through the years. In 1916 he was appointed fire commissioner; in 1936 he took over the administration of the companies inspection and licensing act; and in 1937 he was named registrar under the security frauds prevention act.

Mr. Fisher's greatest and best known achievements were in the field of inter-provincial and international cooperation

in insurance matters. He called the first conference of superintendents of insurance of the four western provinces in 1914. He largely established the Association of Superintendents of Insurance of the Provinces of Canada. With the passing of Superintendent Garrett of British Columbia a year ago all his colleagues of the early days have either died or been retired.

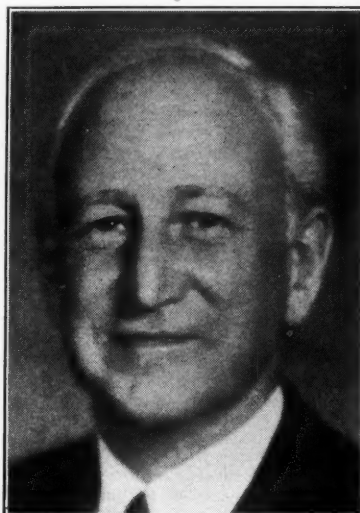
### May Take Life of Va. Building

RICHMOND—Proposals that a new state office building be constructed on a site near the Virginia capitol grounds and that the home office building of Life of Virginia adjoining that site be acquired by the state have been submitted to Governor Darden by a committee named to study state office needs. If the building of Life of Virginia is acquired, the building on the other site would conform architecturally with that building.

Carr P. Collins, president of Fidelity Union Life, Dallas, has posted a prize to be given for the best book on Texas by a Texas author. Dr. J. M. Dawson, president of the Texas Institute of Letters, says that this is the first bonus offered Texas writers. The book must be submitted at the annual meeting of the institute at Baylor University, Waco, Tex., next fall.

## Fowler Agency Has Century Celebration in Chicago

A party was held last week by the Edgar C. Fowler agency of New England Mutual Life in Chicago as a double celebration of Mr. Fowler's 57th year in



EDGAR C. FOWLER

the insurance business and as the 100th anniversary of the agency.

About 40 attended the dinner, which was held at the Union League Club.

Mr. Fowler, who became a general agent in 1916 when he assumed leadership of the agency, is now 72 years old and still the active head.

### \$70 Million in Force

Figures were presented on the increases the agency has made since 1916, at which time there was \$17 million in force, there now being about \$70 million in force. The increase in force this year is over \$4 million.

Principal speaker of the evening was Hilbert Rust, vice-president of Insurance Research & Review, who spoke on markets of the future. Among profitable markets that should be investigated this year, Mr. Rust mentioned principally those having to do with taxes, including bequests by persons directly to their grandchildren, instead of subjecting their inheritance to two estate taxes. He said that there is a movement now to transfer money into insurance and that there is a trend away from old real estate holdings. A good approach mentioned by Mr. Rust would be that of advocating protection of the gains made in the past several years and at the same time reduce taxation through the use of insurance.

A book containing testimonial letters from each member of the organization was presented to Mr. Fowler.

### Holmes Calls Whole Thing Off; Remains in State Post

HELENA—State Auditor Holmes of Montana announces that he definitely would not resign from office.

Mr. Holmes, who announced Sept. 19 that he would leave within three weeks to accept a position with National Farmers Union Automobile & Casualty of Denver, said the "whole thing has been called off and I intend to fill out my full term."

Mr. Holmes, also commissioner of insurance, has held the auditor's office since 1932, was reelected last year. His present term runs until Jan. 1, 1948.

### Hoosiers Hear Judge

Judge Lloyd D. Claycombe of the Marion county circuit court addressed the Indianapolis C. L. U. at a luncheon meeting Thursday, on "The Public Responsibility of the Life Underwriter." Arthur R. Madison, Acacia Mutual, presided. Dan W. Flickinger, John Hancock, introduced Judge Claycombe.

## Standard of Ind. in Decade Reaches \$36 Million

Standard Life of Indiana, which has made a practice since the time it was organized of preparing its annual statement in time for publication right at the first of the year, in its new statement which again was mailed out on the afternoon of Dec. 31, assets are shown to be \$3,125,147. Policy reserve stands at \$1,899,252. Capital is \$445,854, net surplus \$130,000 and contingency fund for mortality and investment fluctuations was \$70,000.

Standard Life was organized in 1935 and insurance in force during its first 10 years has reached the impressive sum of \$36,317,204, which does not include \$1,305,067 of small loan insurance.

President Harry V. Wade points out that although the 1945 sales record was excellent, a brake was purposely put on production activities to prevent getting such an increase in business as would be indigestible.

"Who Writes What?" instantly answers brokerage and surplus line problems. \$2.50. Order on approval from National Underwriter.



★ HOW IS YOUR SCRAPBOOK THESE DAYS—THE SCRAPBOOK PROVING THAT BIG MEN HAVE GREAT CONFIDENCE IN THE FUTURE AND ARE RISKING MILLIONS ON IT? \*

IN INDIANAPOLIS, for example, one of our department stores is erecting a 11-story addition which will almost double the floor capacity.

A CLOTHING STORE is spending almost a million renovating new quarters which it has purchased.

A HOTEL WILL SPEND almost a million in renovation and air-conditioning.

A DRUG COMPANY wrote a check for \$2,000,000 purchasing a surplus air propeller plant.

ANOTHER MANUFACTURER put another \$2,000,000 on the line to expand facilities.

THE LITTLE FELLOW MAY BE WORRIED ABOUT THE LONG-TERM PICTURE—BUT AT NO TIME HAS THE MAN ON TOP BEEN MORE BULLISH THAN HE IS TODAY—A GOOD STORY TO KEEP CONSTANTLY BEFORE YOUR MEN.



PAUL SPEICHER  
Managing Editor

THE INSURANCE  
RESEARCH & REVIEW SERVICE  
INDIANAPOLIS

# LATEST REPORT on THE RESULTS of Our BUILDERS-OF-MEN PLAN

## NOVEMBER CLASS HOME OFFICE SCHOOL

29 new agents.

Average age, 31.

Education, above average.

(11 University graduates.)

SERVICE MEN, 11.

All but 2 were new to the business.

WE WELCOME this fine group of new recruits to our organization, which already has made an outstanding record in new production and gain in force for the year 1945.

WATCH FOR THE REPORTS AT THE CLOSE OF THE YEAR

## GUARANTEE MUTUAL LIFE COMPANY

Omaha, Nebraska

A. B. Olson  
Vice President



## American Hospital & Life Celebrates 10th Year

SAN ANTONIO, TEX. — American Hospital & Life observed its 10th anniversary with dinners at the home office and each branch.

Prof. John H. Hicks of Southern Methodist University, whom President S. E. McCreless gave the credit for bringing about the organization of the company, spoke at the home office gathering here.

Mr. McCreless while a student in college, sold life insurance and he called on Dr. Hicks. Dr. Hicks brought up group hospitalization and told how members of the university faculty were experimenting with a plan of a monthly contribution to a joint hospital expense fund. Mr. McCreless was impressed with the idea and going to San Antonio, he presented the plan to the management groups of the local hospitals. In this way the hospital service which grew into the American Hospital & Life was founded.

As a token of his appreciation, Mr. McCreless presented Dr. and Mrs. Hicks with fully paid hospitalization policies, believed to be the only such policies in existence.

## Three Managers Appointed in East by Metropolitan

Charles A. Dobbins, supervising the agency division of Metropolitan Life, has been appointed manager at Waterville, Maine, succeeding Maurice L. Reilly, who is retiring. Mr. Dobbins has been with Metropolitan since 1930 when he joined the company at Steubenville, O. He was named an assistant manager in 1933 at Cleveland and in 1937 became a field training instructor for New England. In 1942 he became a supervisor in the agency division.

John J. Eagan, formerly manager at North Adams, Mass., has been appointed manager at Marlboro and Clin-

ton, Mass., succeeding William Rivers, transferred to Brattleboro, Vt. In 1920 Mr. Eagan joined the company at Bridgeport, Conn. He became general assistant manager for the New England territory in 1924, then assistant manager at Chicopee, Mass., and in 1931 manager at North Adams.

Lewis W. Merrow has been appointed manager at North Adams. With the company since 1931 he became assistant manager at Waterville, Maine, in 1933, was field training instructor and then field training supervisor for New England.

## Equitable, N. Y., Is Revising Optional Deferred Annuity

Equitable Society is revising its optional deferred annuity Feb. 1 on  $2\frac{1}{2}\%$  interest assumption during the deferred period of accumulation prior to retirement in place of the present 3% basis. The basis will be  $2\frac{1}{2}\%$  both before and after retirement.

This will bring about reductions in guaranteed cash value, first available at the earliest optional retirement age, and also reductions in monthly annuity income payments at the various optional income ages. These percentage reductions will be moderate at higher ages at issue, increasing for lower issue ages.

## Guardian Reduces Air Risk Costs

Guardian Life has reduced the extra premium charge on some classes of aviation risks, the extra being reduced to \$3 per thousand for pilots and crew members on scheduled air lines in the United States and Canada. On other air lines, individual consideration will be given. For non-scheduled commercial pilots holding transport or commercial certificate and flying company owned planes on a basis comparable with scheduled air line operations, the extra premium is also reduced to \$3.

## Conley Agency Director at Norfolk for N. Y. Life

Howard Conley, Jr., has been appointed agency director at Norfolk, Va., for New York Life.

For the past four years he has been home office educational supervisor covering the southern division. He graduated from the business school of University of Pennsylvania in 1936, and has been with New York Life ever since. He is a C.L.U.

At Norfolk he succeeds T. W. Abbott, who is returning to Atlanta as agency instructor. Mr. Abbott is a graduate of University of Georgia and is a C.L.U.

## O. J. Arnold to Address Chicago Agencies' Rally

O. J. Arnold, president of Northwestern National Life, will discuss the company's financial statement which was made public Jan. 1,—the first life company statement to be announced this year, carrying out a tradition of that company—at the all-day annual agency meeting Jan. 21, of the company's forces in Chicago under R. J. Weise, manager. Dr. Karl W. Anderson, chief medical officer, and Alan M. Kennedy, assistant to the president, also will attend and Dr. Anderson will give his annual review of the medical situation and underwriting considerations. There will be morning and afternoon sessions with a luncheon.

## Agencies Taking Part

Among the agencies taking part will be those of Albert J. Zern and Harry G. Walter, managers in Chicago, and the Waukegan managers, Lester E. Swank and Joseph V. Hultman. Members of the Cramsie-Laadt & Co. general agency of Northwestern National in Chicago including W. J. Laadt and Frank A. Cramsie, members of the firm, will take part.

## Strikes Interrupt Group Coverage Administration

LANSING—Due to experiences during the General Motors strike when group insurance of many employees has been imperiled because union pickets kept office employees as well as wage workers out of the plants, the Michigan department has advised the Ford Motor Co. to make preparations, if possible, to service group policies in event of a strike there.

While it is not definitely known that any policies actually were lapsed among General Motors workers, fears were entertained for a time that there might be lapsations and there were several delays in claim payments.

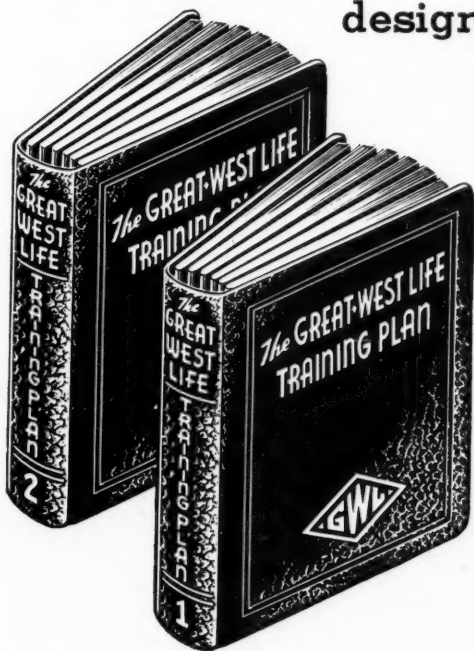
At the Oldsmobile plant here, office workers, including those operating the group division, did not make an attempt to enter the plant from the time the strike was called Nov. 21 until Dec. 17, after an injunction had been obtained outlawing illegal picketing. During that period a number of claims arose which could not be handled, the management claimed, because all available insurance records were in the plant. The company eventually advertised to inform its striking employees that they could keep their insurance in force by mailing premium checks to the company. Since office workers and other non-strikers have been allowed to penetrate the picket lines, payments have been made in many cases at the office.

The Oldsmobile group life contract is with the Metropolitan while the Michigan Hospital Service has a hospitalization contract.

## Correction of Teachers' Date

IN THE NATIONAL UNDERWRITER of Dec. 21, due to a typographical error, the date of the meeting of the American Association of University Teachers of Insurance in Cleveland was shown as Jan. 15. The correct date is Jan. 25.

# A New and Practical Training Plan . . . designed for progressive life insurance selling



In keeping with the forward outlook called for by sound post-war policies, The Great-West Life Assurance Company has inaugurated a new, basic Sales Training Course in Life Insurance Fundamentals.

Written by one of America's outstanding insurance men, in close co-operation with Great-West Life agency officials, the twelve booklets composing the basic training course follow a well-defined, logical and progressive plan, leading to the final studies essential to a fully-trained Great-West Life representative.

Branch Managers and Supervisors of the Company are an important factor in the new plan. Themselves graduates of the course, they will be able to give the closest attention and apply a first-hand knowledge to every phase of training, especially to the benefit of new comers in the life insurance field.

## The GREAT-WEST LIFE ASSURANCE COMPANY

HEAD OFFICE - WINNIPEG, CANADA

LIFE INSURANCE

ACCIDENT AND HEALTH

GROUP INSURANCE

## Pension Plan Provided for Farm Employes

One of the first formal pension plans ever offered farm employes is announced by George D. Pratt, Jr., owner of the Sunny Valley Farms of New Milford, Bridge-water and East Morris, Conn.



Roger Bourland

The plan, a large part of the cost of which will be borne by the employer, provides life insurance protection and retirement at age 65, including a provision for pensions up to two-thirds of employe's average compensation, and substantial benefits for death or disability before retirement.

The insurance plan is being underwritten by Mutual Life and the trust fund will be managed by Hartford-Connecticut Trust Co. Roger Bourland, Darien, Conn., former sales promotion man at the head office, was the pension consultant who designed the plan.

Mr. Pratt is a big dairy operator. Mutual Life will issue a regular, individual policy on any plan selected by the employe and it will be the property of the employe should he quit the dairy farm.

## Borchardt Quits as Actuary of Michigan Department

Alvin Borchardt has resigned as actuary of the Michigan department after five years' service to become a partner in the actuarial firm of Nelson & Schleh of Detroit. The firm was founded 10 years ago by D. W. Nelson and L. W. Schleh, and now will be known as Nelson, Schleh & Borchardt, consulting actuaries.

Mr. Borchardt has been in the actuarial field for 22 years, starting in the actuarial department of Northwestern Mutual Life at Milwaukee in 1923. The following year he entered the office of D. F. Campbell, consulting actuary in Chicago and remained until 1927. In the ensuing years he served as actuary of Public Life, formerly of Chicago, and St. Louis Mutual Life.

Then he was elected vice-president and actuary of American Life of Illinois. He also was examiner in charge of life company examinations with the Illinois department for eight years before joining the Michigan department. He has been active in the Fraternal Actuarial Association and is vice-president of the Michigan Actuarial Society.

## Va. Association Group Plan

RICHMOND—The plan for group life insurance for members of the Virginia Association of Insurance Agents is now in effect. Life of Virginia is the insurer. The plan provides that all those actively engaged in the insurance business and directly connected with members of the association are eligible for insurance. Officers, owners and partners of member agencies receive \$5,000 under the plan. Sub-agents, solicitors and department heads receive \$3,000. All other employes get \$1,000.

Those who join the association after the master policy has become effective are eligible after having been a member for 60 days.

Amount of insurance at the time the plan became effective was \$1,600,000 from 156 members. It is believed that the total will eventually reach \$2 million.

## Supreme Court Turns Thumbs

WASHINGTON—The U. S. Supreme Court denied petition for writ of certiorari in No. 640, Robertson vs. New York Life, and petition for rehearing in No. 564, Kithcart vs. Metropolitan Life.

## Fontaine and Beck Named by Continental Assurance

Two new members have been appointed on the home office staff of Continental Assurance. Robert L. Fontaine, who for 12 years was with Continental Casualty and recently returned after three years' duty as a naval officer in the Pacific, has been named director of publicity. Robert B. Beck, a life insurance veteran, has been appointed associate educational director. Initially, Mr. Beck's major effort will be devoted to a new school to refresh and educate returning service men in life insurance.

## Western & Southern In Force Passes \$1½ Billion

CINCINNATI—Business in force of Western & Southern Life reached \$1,518,507,682, a \$116,435,188 increase at Dec. 31, C. F. Williams, president, reported at the annual meeting.

Assets increased \$24,477,000 to \$294,505,000. Total claims paid of \$15,810,102 were the largest on record.

## Lt. Barker, Col. von Pein Return to Travelers

Elton R. Barber and James H. von Pein, who recently were released from the army, have been reappointed as field assistants by Travelers. Mr. Barber in Cleveland and Mr. von Pein in Houston.

Mr. Barber entered the regular army in 1941. He saw action in Normandy, the Rhineland and central Europe. He was a lieutenant.

Mr. von Pein was called to duty with the army air forces in 1940 with the rank of captain, and when released, held the rank of lieutenant colonel. He served as base intelligence officer at Ellington Field, Tex., from 1940 to 1944. He later served at Laredo army air field and Randolph Field.

## Something for the Experts

WASHINGTON — Directing attention to title 11, section 202, public law 291 of Dec. 29, 1945, C. B. Allen, deputy internal revenue commissioner, says in P. S. ruling 84 that the effect of that amendment is to permit a deduction in the calendar year 1942, or in a fiscal year commencing in 1942, for that portion of a contribution previously made to a pension trust which, under the law then in effect, was apportioned to 1942, or the fiscal year commencing during 1942.

The ruling provides that deductions to such a trust for the taxable year 1942 under prior income tax laws, or the internal revenue code before amendment by section 162, revenue act of 1942, are allowable to the extent provided under the prior act or code, before amendment.

Prior to the amendment, Allen points out, section 23(P)(2) permitted deductions for the applicable portions of contributions previously made for years beginning after Dec. 31, 1942. Thus, the provisions of that section were not applicable to the calendar year 1942 or to a fiscal year beginning in 1942.

Section 202, title 11, public law 291, makes the amendment included therein applicable as if it had been made as a part of section 162(B), revenue act of 1942.

## N. A. L. U. Has 40,000 Members

Membership of the National Association of Life Underwriters at Dec. 31 stood at 40,102. This is a gain of 5,074 over the membership of the previous year.

## New Canadian Tax Ruling

Under a new Canadian tax ruling, insurance companies are to pay premium tax on all premiums received in Canada, no matter where the insured person or property is located. Formerly the tax was payable only on premiums received from Canadian residents and on risks in Canada.

## Carroll Was Jap Prisoner for Over Three Years

Earl Carroll, the new general manager for the Philippines of United States Life, had previous experience there as general sales manager for Insular Life and prior to that was agency manager in Hawaii for that company. He was transferred to the Philippines as general sales manager a month before Pearl Harbor and was interned for 37 months by the Japanese and acted as chairman of the internment camp administration.



Earl Carroll

## Final Rites in Auditorium

A service of commemoration of the company's war dead was the final event to take place in the John Hancock Mutual Life auditorium which connects with the home office building and which is now being razed in order to prepare the site for the new 26-story building. The clergymen of the Catholic, Jewish and Protestant faiths officiated and the company glee club composed the choir. President Paul Clark paid a brief personal tribute to the men commemorated. The service was attended by officers and employees and relatives of the war dead.

## Eighth Job for Turner Co.

The Turner Construction Co. of New York, which was awarded the contract for construction of the new 26-story home office building of John Hancock Mutual Life, has been the contractor for seven insurance home office buildings. The first was Massachusetts Mutual Life in 1925, then came Fidelity Mutual and Provident Mutual Life the next year, Acacia Mutual in 1935, Liberty Mutual in 1936 and New England Mutual and Continental American in 1938. The John Hancock building is the largest of all.

## Travelers Premiums Up \$10 Million

Premiums of the Travelers companies last year aggregated more than \$276,043,000, an increase of \$10,054,000 over 1944. Life insurance premiums totaled \$129,530,000 as compared with \$124,900,000.

Accident and health premiums were down from \$45,100,000 in 1944 to \$44,466,000 last year.

New paid life insurance amounted to \$573,800,000 exclusive of \$890,950,000 additions under group policies.

## Ohio Division Staff Confers

The staff of the Ohio division of insurance recently held a conference in Columbus. The agenda included talks and discussions on reserves and accounting, casualty, hospitalization service vs. indemnity, the fire premium dollar, amortization of bonds, examination procedure, unauthorized insurance, recent opinions of the attorney general, liabilities of a life company, investigation of claims and underwriting violations, fraternal societies and records of mutual associations.

## Weeks Is Milwaukee Speaker

J. S. Weeks, cashier of Equitable Society, discussed sub-standard insurance and the liberalization of aviation clauses in life policies before the Milwaukee Life Insurance Cashiers Association.

## S. F. Round Table Meets

SAN FRANCISCO—The San Francisco Quarter Million Round Table is holding a meeting for members on Jan. 18. Five trust officers of the Wells Fargo Bank will participate in a discussion on trusts, taxes, etc. Those who

know they can qualify for the 1946 organization are invited. General agents and managers have been requested to urge qualified agents to send in qualification blanks.

## Edwards Luncheon, Congress

R. S. Edwards, general agent of Aetna Life in Chicago, will host its annual agency luncheon Jan. 17 at the Sherman Hotel, followed by a sales congress. The "Big 10" annual banquet will be held that evening.

## Arnold Gives Party for Connell

President O. J. Arnold of Northwestern National Life was host at a party in honor of Clancy D. Connell, N.A.L.U. president, following President Connell's address before the Minneapolis Association of Life Underwriters. Guests included officers of that association and members of the Minneapolis Life Managers Association.

## S. W. Grosskopf Promoted

Stanley W. Grosskopf, assistant superintendent of Prudential's Milwaukee No. 3 office, has been promoted to superintendent in charge of the Racine, Kenosha and Cudahy, Wis., offices.

## Mack Detroit General Agent

F. S. Mack has become general agent of Bankers Life of Nebraska in Detroit, with offices at 800 Penobscot building. He has been a personal producer in Detroit for 15 years and for the past two years he has been agency supervisor for Bankers.

## Undertakers Form Miss. Insurers

(Famil Protective Life has been incorporated at Jackson, Miss., with \$150,000 capital and with some 100 undertakers as stockholders. Offices are at 218 North Congress street. It will write up to \$500 insurance on each member of family groups. C. W. Baldwin of Jackson is president and H. W. Pertuit, who has been with Standard Life of Jackson, is the manager.

## Runnels Now Vice-President

CINCINNATI—E. S. Runnels, formerly auditor, has been elected a vice-president of Western & Southern Life, and W. I. Vorys, Columbus attorney, was elected a director.

E. H. Vonderbrink becomes auditor and E. B. Fackler consulting actuary.

## Wilson and Huffman Change

WASHINGTON—Col. H. H. Wilson, Equitable Society, and Capt. Sam H. Huffman Metropolitan Life, have recently left the War Department's retirement and insurance section, which is headed by Maj. Edward A. Lew, assistant actuary of Metropolitan. This section deals with legal and actuarial aspects of the retirement of regular army officers and of enlisted men who serve 20 years or more in the army.

## Pick Hardin Successor Jan. 21

The annual meeting of Mutual Benefit Life will be held in the home office in Newark Jan. 21. It is expected that a successor to the late president, John R. Hardin, will be selected at that time.

## Ala. Company Buys Building

American Life of Birmingham, Ala., has purchased the Martin building, 12-story office structure there, as a home office.

Organized in Birmingham 17 years ago, American Life now operates in nine southeastern states and has more than \$50 million insurance in force.

## Cincinnati May Get Housing

Prudential is planning to invest \$250 million nationally in low cost housing projects, George Plamer, Cincinnati mortgage loan department manager, said. Cincinnati is one of the cities which is being considered for one of the projects, and he's making a survey.



## N. Y. State Lends Hand to Cal.

(CONTINUED FROM PAGE 1)

transaction could have been completed directly between insured and insurer, it is declared.

The California groups argue that the California laws do not prohibit, do not discriminate against, do not unduly burden, the commerce here involved, and that they are a proper exercise of police power.

The surplus line law permits the placing of this risk with a non-admitted insurer by or through a surplus line broker, it is pointed out.

California has not discriminated against insurers of the type Robertson represented, the court is told.

Furthermore, a state may, in the valid exercise of the police power, prohibit the doing of any acts within the state in aid of an insurance transaction which is against the public interest, whether in interstate commerce or not.

## Prudential Brief to High Court

(CONTINUED FROM PAGE 1)

period of grace in which to adjust any inter-company relationships and cease any violation of the Sherman act.

"Congress had no intention of superseding the police-power regulations of the states with regulations of its own, and never intended to validate tax statutes which unjustly discriminated against interstate commerce" of foreign companies.

Declaring that the appeal presents a most important constitutional question, the company says in conclusion that it should not be summarily decided on a motion to dismiss or affirm. Similar laws in other states are being litigated by companies, the court is told, and a decision in the South Carolina case will greatly assist in deciding similar questions in other cases. Therefore, complete development of the case through argument and review is urged.

## Roseate Prospects for 1946 Seen

(CONTINUED FROM PAGE 3)

state supervision of insurance will not be radically disturbed, he pointed out. The unanimity of decision, up to the present at least, by the supreme courts of several states that the present traditional method of taxation by the states is valid is very gratifying to small companies. "However, we must not lose sight of the significance of the S.E.U.A. case holding that insurance is commerce. It made the issue of federal versus state control a matter of policy instead of power. It will probably depend largely upon the effectiveness of state supervision and the integrity of company operations thereunder whether the system will be modified or superseded. The strongest arguments for the present status will be the maintenance of the high standards of public service which now prevail within the institution and the capable and conscientious operation of an enterprise which constitutes a great public trust," he said.

## Irwin Speaks in Detroit

DETROIT—H. H. Irwin, educational director Massachusetts Mutual Life, will discuss "Significant Developments in the War Period in Life Insurance" at the Jan. 14 luncheon of the Detroit C. L. U. chapter.

Mr. Irwin will also speak to the women's division of the Detroit Life Underwriters Association the same evening.

## Justices Ask Many Questions During Argument

(CONTINUED FROM PAGE 1)

Inquiring whether the state could not impose certain requirements Frankfurter suggested California could "appropriately" regulate such companies. Admitting this last, counsel pointed out the company could not get a license under any circumstances, because California admits only legal reserve life companies. He added that Arizona law does not allow the company to write on a legal reserve basis. Here is conflict between the laws of the two states, it was suggested.

Calling attention that under the constitution restriction of the free flow of interstate commerce is prohibited, Weaver said that to meet California requirements, the Arizona law would have to be changed, the company would have to go out of business and a new one be organized.

Mr. Blodgett announced that he would take up certain questions asked of his colleague during his rebuttal argument in rebuttal.

## State Takes Floor

The state then took the floor, with Mr. Waite leading off with a review of certain facts, in which he called attention that Robertson was not licensed and the company not admitted to the state.

Stone brought out that the O'Lein application was filled out by Robertson and mailed to the company.

Frankfurter wanted to know when the California laws involved were passed. During quite a discussion, Waite said section 1642 was passed in 1931, but did not cite the date of section 703 (A). Stone called attention there was nothing in the documents before the court to show when these laws were passed. He wanted dates supplied, which was promised.

When Frankfurter's questioning became rather persistent, Westphal took the floor to reply and to discuss constitutional questions. He continued until adjournment hour 4:30 p.m. after a total of an hour's argument on both sides.

Westphal said the only two questions involved are whether the two California sections violate the commerce clause; which he said they do not. These sections are licensing provisions and were passed to determine that agents are men of good character and competent.

In response to Frankfurter's question whether Robertson was "admissible," Westphal said: "So far as we know, he might have been."

But First National Benefit does not meet California's standard, he said. In the O'Lein case, Westphal said, the insurance could have been written and placed with the company if Robertson had been licensed as a broker or surplus line broker.

Discussing violation of section 1642 in this case, Westphal said the section does not discriminate between agents seeking license for foreign or domestic companies. Imposition of license requirement is exercise of the police power, he said. "The record does not show that appellant ever tried to get a license in California," said Westphal, and alluded to the requirement that administrative process must be gone through.

In behalf of First National it had been contended that the judgment of the California court is contrary to the law and the constitution; also contrary to the evidence; and that court erred in upholding the sections involved.

On the other hand, the state had contended that the S.E.U.A. decision did not invalidate state laws regulating insurance; that the sections in question and provisions of the California insurance code under which First National is excluded from admission to California represent valid exercise of the police power; that the state laws involved do not discriminate against interstate commerce.

Argument was resumed at noon Wednesday and continued for an hour,

## John Hancock to Invest in Housing Projects

BOSTON—John Hancock Mutual Life announces plans for the building of modern "garden villages" of homes for middle income families, the first of which will be erected in the Greater Boston area and will be followed by similar housing developments in other places.

On a site yet to be selected in the Boston area the company will put up groups of single and duplex houses "in the best style of traditional New England architecture, with winding road, ample open areas and attractive landscaping."

with time equally divided between Westphal, closing for the state, and Earl Blodgett, for appellant, in rebuttal.



Paul F. Clark

The pattern for the model communities will follow those now in effect at Chatham Village in Pittsburgh, Daytona Village in Ohio and Colonial and Arlington Villages in greater Washington.

"The homes are not designed to compete with low cost federal housing but will meet the need for economical, modern housing in the middle income group" it is announced.

President Paul F. Clark of John Hancock disclosed the proposed location of the housing project at a hearing before the Brookline planning board as being the old Weld golf course in Brookline and West Roxbury.

The hearing was necessitated by the fact that the Brookline zoning law permitted only single residences on the site, whereas the John Hancock project calls for some duplex buildings.

A show of hands at the hearing gave evidence that Brookline residents were strongly against the John Hancock plans since the area is surrounded by many expensive one-family houses.

President Clark said the plan called for 1,200 homes costing \$10,000 each, making an investment of some \$12 million. If the Weld site should become unavailable through refusal of the town of Brookline to modify the zoning objection, President Clark stated a second site in Greater Boston was under consideration.

## The COMMONWEALTH Commentary

### THE POLICY CONTRACT

When you delivered that last life insurance contract, did you realize exactly what you handed over to your client? And did your client realize the magnificent quality of the contract he had just received?

Your client received in perfect security the most one-sided, unilateral contract ever devised in the history of legal agreements. It was written from the first capital to the last period with but one objective—to enable him to carry his plans through under any and all conditions—to insure for himself in his old age, and for his family if he should die, the rightful dividends from his life's work.

Yet your client in his turn assumed only *one* obligation—the responsibility of saving money regularly for his deposits.

Did your client receive just another piece of paper and a drop of ink in his signature? No . . . he received a *miracle* of paper and ink!

Insurance in Force, Nov. 30, 1945 — \$262,127,081

**COMMONWEALTH**

LIFE INSURANCE COMPANY

LOUISVILLE • MORTON BOYD, President

## EDITORIAL COMMENT

### American Life Convention's Name

The founders of the American Life Convention were responsible for a work that has been munificent in results. At the time the A.L.C. came into being there was great competitive strife. Company officials were unacquainted with one another. They did not hesitate to resort to sharp and sometimes dishonorable competitive practices. Some of the leaders got together at a meeting in Chicago and started the American Life Convention. They were a noble body of pioneers. There is only one of these left, Isaac Miller Hamilton, chairman of Federal Life of Chicago. The American Life Convention brought officials together.

The name adopted, "Convention," means "getting together." Therefore the name "American Life Convention" at that time was appropriate. As the years have gone by it has been apparent to the minds of officials who are guiding companies at this time that the name itself is a misnomer and is misleading in many respects. While in the business itself the "American Life Convention" is well known, to outsiders "convention" seems to mean that there is some kind of a gathering or conference taking place. Intelligent people frequently inquire as to just what the American Life Convention signifies and what is its scope. To many the name

does not mean an organization.

In years gone by some of the Latter Day Saints have realized the fact that the name was misleading and that it should be changed. One of the founders of the American Life Convention was J. B. Reynolds of Kansas City Life, greatly beloved, highly respected and who was regarded in many ways as the patron saint of the organization. Mr. Reynolds selected the name. Whenever an attempt was made to have it changed Mr. Reynolds out of sentiment opposed it. The proponents were willing to let the matter rest out of respect to him.

It would seem to us that the time has come now for revision of the name. It leaves a wrong impression in the minds of the public. There have been during the last two or three years opinions expressed that the organization now deserves a name that is more fitting and would describe it more accurately.

A few years ago the Association of Life Insurance Presidents concluded that its name while defining its activities should be changed to make it more comprehensive and hence the name, Life Insurance Association of America, was adopted. Certainly the American Life Convention has far greater need for a change than its compatriot of the east.

### Responsibility of Insurance

Insurance companies and insurance men have always made it a point to abide strictly by the state laws governing their activities. In fact it has been often said that so far as the great majority of companies and the great majority of the agents are concerned there is no need of having a state insurance department. They regulate themselves. They would abide by the laws whether there was any supervising authority or not, once they became acquainted with the provisions. Insurance is naturally a law-abiding industry. Insurance commissioners realize the companies, conscientiously managed, financially well ballasted, are having at present little difficulty so far as regulation is concerned. They follow the straight and narrow path.

With the U. S. Supreme Court decision declaring insurance to be commerce and therefore subject to the federal anti-trust statutes, an entirely new note was injected into the industry. Insurance people now come under entirely different regulations. Regardless of whether

they follow the state laws they might be held in violation of federal statutes. Therefore it is very necessary for all to become acquainted with the Supreme Court decision in the S. E. U. A. case, the interpretations that have already been put upon it and those that will follow. The moratorium, under Public Law 15 expires Jan. 1, 1948, and by that time the insurance business should be well informed as to what it can do and what it cannot do.

Already changes have had to be made in insurance organizations and in practice. As a matter of fact insurance companies will be obliged to be more and more self-regulatory. We cannot depend on organizations or past practices. There is a new day at hand. Each company must study its own situation and be able to walk alone far more than it ever had. Some of the cooperative efforts of the past will have to be discarded. A company cannot rely for success on the fact that it belongs to this organization or that, that it is a mutual or stock company. It must build its own particular

service. It must have an appeal to agents and the public and to do so it must square itself with the new requirements and adopt a program of its own. Insurance companies and insurance people must be more alert to the needs of the public and bend themselves to its call. If a company is well constructed, conscientiously managed, it need have no fear because its foundation will be strong. It needs to realize, however, that it must walk pretty much alone in its appeal to policyholders. It must justify its existence.

Insurance has always given a good account of itself and it will continue to do so. It may be difficult at first to make proper readjustments but they can be accomplished without disorder. Because companies will now need to rely on themselves more than they have they will be strengthened internally. Their sinews will be harder, their prowess will be greater. They will be more flexible and pliable. They must, however, stand before the bar of public opinion and they should be prepared to meet the requirements set for them.

## PERSONAL SIDE OF THE BUSINESS

**Roy L. Weid**, district agent of New England Mutual Life, who recently qualified for the Leadership Club by producing \$500,000 of new life business in a year, has been elected president of the newly formed National Exchange Club of Chattanooga.

**D. L. Michael**, formerly associate editor of the "Insurance Magazine" of Kansas City, has rejoined that publication after 42 months in the army air corps as a radio instructor.

**C. A. Craig**, chairman of the National Life & Accident, has created a \$60,000 scholarship endowment fund at Vanderbilt University for the benefit of students from Mr. Craig's home county. The fund, which will provide scholarships worth \$500 each annually, is being established as a memorial to his wife, the late Maggie S. Craig.

**Russell A. Lewis**, supervisor for Liberty National Life in Tennessee, Alabama and Georgia, with headquarters in Birmingham, was married to Miss Mammie P. Walker of Huntsville.

**Gilbert Ball**, San Francisco manager of California-Western States Life, was married to Mrs. Pueria Wrinkel, formerly agency secretary.

**John D. Saint, Jr.**, has returned from war service to the home office staff of Provident Life & Accident of Chattanooga. He was captain of the combat military police in the army. His father was formerly manager of the Tennessee Association of Insurance Agents and prior to that of the Louisiana association. He is now in the local business in New Orleans.

The Charles Edgar Albright and Laura Uihlein Albright Foundation has been organized as a charitable foundation by **Dr. and Mrs. C. E. Albright** of Milwaukee, and their daughter, Marion A. Talmadge. Articles of incorporation for the foundation state its purpose is to receive money to be used for charitable purposes. Dr. Albright has long been the leading producer of Northwestern Mutual and recognized as one of the world's leading life insurance salesmen.

**J. C. Terry**, 65, who has retired after 24 years with Bankers Health & Life, was honored at a dinner in Albany, Ga., and was presented a gold watch. He has been assistant district agent there.

After ten years with Gulf Life in Carrollton, Ga., **Carl East** has resigned to give full time to the position of president of the newly formed Georgia-Alabama Baseball League.

**Homer C. Howard** of the Columbus

agency of Travelers has just completed 42 years' service in that agency and has been presented a plaque by the company. Mr. Howard has the largest volume of group insurance of any man in the agency. He was quarterback on the Ohio State University eleven for four years back in the '90s.

**John McCormick**, who was with the Columbus agency of Western & Southern Life for 40 years, has retired. Members of the agency, of which H. P. Geyer is manager, tendered him a luncheon.

## DEATHS

**Edward W. Ranson**, 42, clerk in the actuarial department of Life of Virginia for 20 years, died in Richmond.

**Irl L. Lingle**, 51, manager of the group department of Southern Life of Georgia, died at his home in Atlanta following a short illness. He had been associated with the organization since its formation in 1935.

**Joseph Russell**, 66, who had been with Mutual Benefit Life, Northwestern Mutual Life and Connecticut Mutual Life in Louisville for more than 30 years prior to his retirement a few months ago, died at Mobile, Ala., following a long illness.

**John S. Davenport, Jr.**, who was retired in 1941 as a vice-president of Life of Virginia, died of a heart attack at his home in Richmond. A native of New York City, in 1898 he graduated from Trinity College. Trained as an actuary in New York City, he joined Life of Virginia in 1901. He was elected a director in 1913 and a vice-president in 1925. He was a member of the Actuarial Society of America.

**G. Wendell Williams**, 35, agency assistant at the home office of National Life of Vermont, died after a six months' illness. Mr. Williams was a graduate of Wesleyan University and joined National Life in 1934. His recent work had to do with agency records and statistics, and he was expertly informed on pension trust matters.

**Bradford B. Locke**, 54, president of Church Properties Fire and executive vice-president of Church, Life, New York City, died in the Princeton, N. J., hospital after a brief illness. His home was in Princeton. He had been executive vice-president of Church Pensions Fund since 1933 and the fund's secre-



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tary from 1924 to 1933. The fund, which has assets of approximately \$40 million, pensions Episcopal clergymen and their families. Mr. Locke was a vice-president of Church Agency Corp. He was a prominent Episcopal layman, and participated actively in church affairs.

**John Alley Parker**, 74, insurance broker and former banker, died at his home in New York City. He began his insurance career in Louisville and went to New York in 1903 as general agent of Union Central Life. In 1908 he started a banking house under the name of J. A. Parker & Co., but continued his connection with the insurance business and later became an independent broker.

**Frank L. Bowen**, retired insurance editor of the Chicago Daily News, is dead. The veteran newsman was well known in local insurance circles and had been with the newspaper since 1900, having become assistant financial editor in 1920 and insurance editor in 1932. A son, Richard L. Bowen, is an examiner in the license division of the Illinois insurance department.

**Charles L. Frazier**, 63, an examiner of the Texas department, died in Austin.

**John T. Stephany**, 71, district agent of Northwestern Mutual Life at Port Washington, Wis., who won the company's district agency cup for 1944-1945, died there after an illness of several months. Death was due to a heart condition, culminating in a paralytic stroke. He had been in life insurance 35 years.

**Fred Larson**, 73, district agent at New Hampton, Ia., of Bankers Life of Des Moines, died while on a hunting trip.

## COMPANIES

### Texas Prudential Capital to Be Increased to \$500,000

At a special meeting of Texas Prudential stockholders, a resolution was passed increasing the capital stock from \$200,000 to \$500,000 by a stock dividend.

A cash dividend was also declared by the board of \$1 per share on the new capital stock of 25,000 shares, payable Feb. 15, to all stockholders of record Feb. 1.

### Seek to Settle Issues Regarding Guaranty Union

LOS ANGELES — Policyholders of Guaranty Union Life, which is reinsuring Chapter 9 companies merged under the rehabilitation and reinsurance agreement, will meet Jan. 21 to vote on completion of the agreement and on proposed changes.

Proxies are being sought by divergent interests seeking control of the company. In the call issued by Commissioner Garrison proxies are being asked for John C. Tyler, C. J. Hagerty and Roland Tognazzini, majority members of the board of directors. President Stewart McKee and Lester W. Roth, general counsel, also are seeking proxies on the basis that Guaranty Union will become a legal reserve company.

### Vote on Several Proposals

A vote will be taken on proposals to operate on a mutual legal reserve basis; increasing the directorate to seven; limiting the number of salaried officers or employees who may serve as directors; disqualifying directors or statutory officers of Guaranty Union and companies being reinsured in those posts prior to Aug. 15, 1940; and forbidding payment of compensation (other than regular fees and expenses) to directors serving prior to termination of conservation proceedings. There are several other proposed provisions regarding future changes and proxies.

As of Oct. 31, Guaranty Union had

\$4,623,522 in assets. October income totaled \$216,730 and disbursements \$140,074.

### Launch Dixie Life in S. C.

Dixie Life has been organized at Sumter, S. C., with \$150,000 capital. President is Stanley G. Brading of Chattanooga, recently discharged from the army as a captain. E. B. Boyle, of Sumter, father-in-law of Mr. Brading, is vice-president. Phillip C. Lynch, assistant secretary, has been with National Life & Accident for 15 years and is a son of G. C. Lynch, vice-president of that company.

## NEW YORK

### MUTUAL LIFE WAR SERVICE

The over-all contribution to the war effort by the home office and employees of Mutual Life was reviewed at a victory bond luncheon given by Lewis W. Douglas, president of Mutual Life. Eighty-five employees who sold 30 or more bonds during the victory loan drive were guests. The war efforts were reviewed by Julian S. Myrick, second vice-president, who was in general charge of war activities at the home office and the New York City agencies.

A total of 571 employees in the home office and in the New York City agencies served in the armed forces; and of this number, 19 gave their lives, Mr. Myrick disclosed.

A total of 86,892 war bond sales, amounting to \$19,232,833 were made by the employees during the war bond drives.

Company war loan subscriptions came to a total of \$1,180,200,000.

Employees contributed a total of \$17,344 to the Red Cross.

The national war fund received \$8,295 from employees.

The company itself made a total contribution of \$225,000 to the Red Cross, and \$45,000 to the national war fund.

A total of 1,393 home office employees were blood donors.

### LEWIS OPENS BRANCH

Arthur Lewis, general agent of Pacific Mutual Life in Newark, has opened a branch office at 921 Bergen avenue, Jersey City, with Jay Arnet as supervisor in charge. The new office has Hudson, Bergen and Passaic counties as its territory.

Mr. Arnet was recently released from the army signal corps after two years' service. Prior to that he was with the A. E. Kraus agency of Pacific Mutual in Los Angeles where he made an outstanding success with a savings plan of merchandising life insurance.

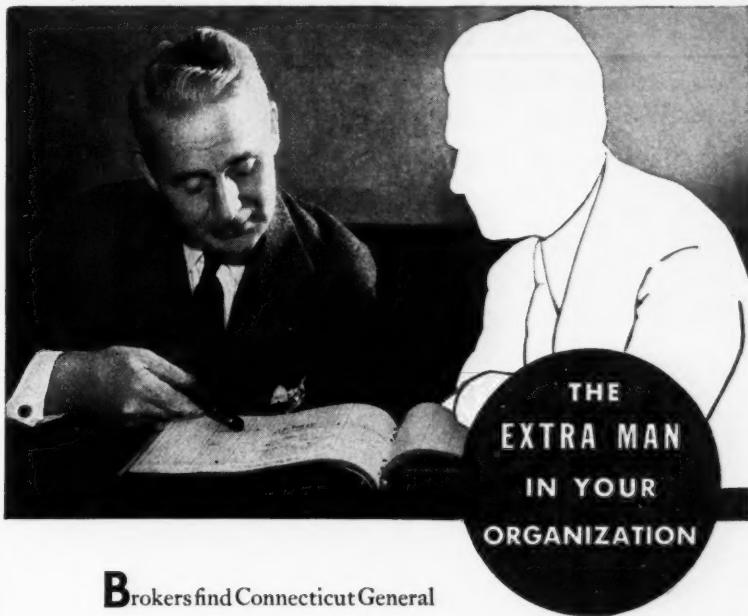
### ALL-INDUSTRY AGENDA

The all-industry committee, which will meet at the Hotel New Yorker, New York, Jan. 23-25, will discuss especially the text of the fire and casualty rating bills which have been drawn up. It is likely that some members of the legislative committee of the commissioners' association will be present. Another question that will be brought up will be the Sherman anti-trust law which has only been considered in its reference to rating measures. At the New York meeting there will be an exploration of its features to see whether it has other applications.

### Compton Resigns Chicago Post

Don Compton has resigned as Chicago general agent of Provident Life & Accident on account of his health. He plans to spend about six weeks or two months in the southwest and expects to reenter the business in Chicago when his health improves.

He was with the accident and health department of Hartford Accident in Chicago for a number of years before joining Provident L. & A.



THE  
EXTRA MAN  
IN YOUR  
ORGANIZATION

**B**rokers find Connecticut General service practical because it is rendered by men who know brokers' and clients' problems, by men who have at their fingertips the broad facilities of the Connecticut General organization for handling all forms of Personal insurance, Group insurance, Business insurance and Pension Plans. There is added value in the availability of Connecticut General's Advisory Bureau for technical consultation.

A Connecticut General brokerage specialist is ready to be the EXTRA man in your organization. Call him at your nearest Connecticut General office.

**CONNECTICUT  
GENERAL**

LIFE INSURANCE COMPANY  
HARTFORD, CONNECTICUT



**BETTER SERVICE  
THROUGH BETTER MEN**  
LIFE INSURANCE, ACCIDENT AND  
HEALTH INSURANCE, SALARY  
ALLOTMENT INSURANCE AND AN-  
NUITIES, ALL FORMS OF GROUP  
INSURANCE AND GROUP ANNUITIES

An Emblem



of Distinction

Sound business management and very low mortality have given Lutheran Mutual the distinction of being one of the very lowest net cost companies in the United States.

Inquiries, regarding agency openings, are invited from Lutherans.

**LUTHERAN MUTUAL LIFE INSURANCE COMPANY**  
Waverly, Iowa

## AMONG COMPANY MEN

### Two Return to Bankers of Iowa, West Coast Change

Lt. Robert A. Jarnagin, assistant in the advertising department of Bankers Life of Iowa, has been discharged from the navy and will return to his duties Feb. 1.

S/Sgt. Roy A. Frowick, assistant to T. H. Tomlinson, manager of sales promotion, has returned after more than two years' service.

Phil Berthiaume has resigned as regional group manager of Bankers Life of Iowa for northern California, Washington and Oregon and has been appointed group representative for Oregon and Washington, with office in the Public Service building, Portland.

### John Hancock Group Changes

The following group department appointments have been announced by John Hancock Mutual Life:

Allison S. Beebe has been appointed group sales representative at Buffalo; Donald V. Springgate, group service representative at New York; Jay W. Stream, group sales representative at Chicago, and Joseph J. Yheaulon, group

sales representative at Philadelphia.

Charles H. Currier, Jr., has returned from military leave from the Chicago group office where he will assume his duties as home office representative in the sales division. Fred W. Banfield, who has been home office representative at Buffalo, has been appointed field assistant at the home office in the group sales division. Everett D. Thompson has been appointed supervisor of group accident and health claims in the Chicago territory.

### Metropolitan Moves Brady

George V. Brady, former assistant general manager of the Canadian head office of Metropolitan Life, has returned to the home office as associate actuary. Mr. Brady had been in the Canadian office for 14 years.

### Van House to Coastal States

Charles L. Van House, formerly with Lincoln Liberty Life, at one time in actuarial work with John A. Copeland & Sons, and later with All States Life as assistant secretary in charge of the ordinary department, has returned to insurance work after nearly three years

in the air force. He has become associated with Coastal States Life of Atlanta as office manager.

### W. C. Laird Given Higher Post by London Life

London Life has named W. C. Laird assistant general manager and director of agencies. He succeeds J. G. Stephenson, who has retired after 39 years of



W. C. LAIRD

service with the company. H. I. Weir has been named superintendent of agencies.

Mr. Laird was chairman in 1944-45 of the life agency officers section of the Canadian Life Officers Association. He was manager of London Life at Toronto before being called to the home office in 1940 as agency supervisor.

He served as president of the Life Underwriters Association of Canada in 1939 and represented that association at the annual meeting of the N.A.L.U.

### Return to Columbian Nat'l

Lt. Comm. Richard K. Holden has returned from navy service to Columbian National Life and becomes agency supervisor. When he went into the navy in 1941 he was sales promotion manager. When in uniform he saw service as naval attaché in Venezuela and Russia.

Lt. Comm. J. A. Kelly has also returned to Columbian National in the legal department. He served in the West Indies and on the east and west coasts.

### Burke to Assist Clarke

LOS ANGELES—A. M. Burke, mortgage loan representative in Chicago, has been appointed assistant to Dwight L. Clarke, president of Occidental Life of California. Mr. Burke has been with Occidental 15 years, starting as assistant manager of the mortgage loan

department. In 1939 he was elected assistant secretary and transferred to Dayton, Ia., as a mortgage loan representative. In 1944 he was transferred to Chicago. As assistant to the president, Mr. Burke will retain his office of assistant secretary.

### Weltmer to Nat'l Fidelity

Henry J. Weltmer, Jr., has joined the supervisory staff of National Fidelity Life of Kansas City at its home office. He will do both field and home office work.

Mr. Weltmer resigned Jan. 1 as editor of the "Insurance Magazine" of Kansas City to take over his new duties. He started his insurance career at Hiawatha, Kan., where he operated a successful agency, selling life as well as general lines. After selling his agency he joined R. B. Jones & Sons in Kansas City and later became associated with the "Insurance Magazine."

### Mutual of Canada Changes

H. M. Cook has retired as secretary of Mutual Life of Canada. He has been with Mutual Life 38 years. He is succeeded by Horace Holmes, who has been associate actuary. The new associate actuary is Edward Rieder.

### Liberty National Promotions

Several home office promotions have been announced by Liberty National Life. Lucian F. Bloodworth, former assistant secretary, was named secretary. Robert H. Anderson, recently discharged veteran, was promoted to assistant secretary in charge of underwriting; E. E. Bradley, assistant secretary and manager of industrial claims department; E. M. Harris, another veteran, assistant secretary and manager of policyholders service and ordinary claims department; and G. E. Jacobsen, assistant secretary, industrial department.

### Fort Rejoins National L. & A.

Gen. Rufus E. Fort, who was appointed adjutant general of Tennessee last fall by Gov. McCord following a period of military service, has resigned that position to return to his former connection with the life department of National Life & Accident.

Gordon V. Jenkins, son of Vice-president V. H. Jenkins of Occidental Life, who was discharged from the navy recently, will return to the agency department of the company shortly.

Imperial Life of Toronto has appointed Flint G. Shurly assistant secretary. He has been with Imperial 17 years.

"Who Writes What?" will tell you where you can place that case; \$2.50 from National Underwriter.

## THE UNITY LIFE & ACCIDENT INSURANCE ASSOCIATION

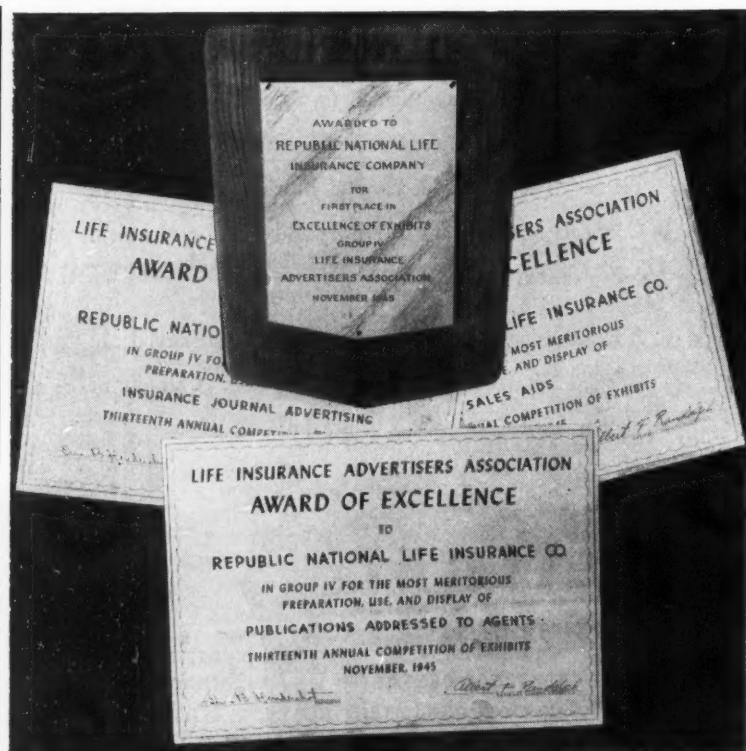
*Insures  
The Whole Family*

Unity agents are equipped to serve every need for personal insurance. Juvenile policies our specialty.

E. R. DEMING  
President

L. J. BAYLEY  
Secretary

HOME OFFICE—SYRACUSE, N. Y.



## What They Mean to You

Honors are pleasant, but we mention our twenty Awards of Excellence only to indicate good service to agents and policyowners. Recently received from Life Advertisers Association are these Awards for Agents' Publications, Sales Aids, and Journal Advertising, with the Sweepstakes Plaque for first place in excellence of exhibits in Group IV, companies of comparable size. Every department of our operations strives for this standard of service.

M. ALLEN ANDERSON, First Vice President, Director of Agencies

"Registered Policy Protection"

**REPUBLIC NATIONAL LIFE INSURANCE COMPANY**

HOME OFFICE

Theo P. Beasley, President

DALLAS, TEXAS

## Fitzpatrick Advanced by State Mutual Life

John R. Fitzpatrick, just appointed home office agency supervisor for State Mutual Life, entered life insurance



J. R. FITZPATRICK

in 1930 with Mutual Life in Boston after graduating from Dartmouth College. He became a C.L.U. in 1933 and in 1939 was made agency organizer in Boston in charge of recruiting and training.

He has served on various committees of the Boston Life Underwriters Association and was chairman of several committees of the Boston C.L.U.



## LIFE AGENCY CHANGES

### Four General Agents Are Appointed by Penn Mutual Life

Penn Mutual Life has appointed four general agents, three of these being veterans, and has made a change in the home office agency.

Robert L. Utne has been appointed Penn Mutual general agent in St. Paul. Gregory R. Hagan, who has been serving as manager there will continue in association with Mr. Utne.

Mr. Utne was graduated from the University of Minnesota in law. Before entering life insurance he was a dis-

appointed general agent in Milwaukee. He succeeds Paul H. Kremer, who has retired from managerial responsibility and will remain as associate general agent after 31 years as general agent.

Mr. Grannis returns to insurance after almost four years in the Army. He has had a long military career, being a veteran of the last two wars. When he left the service he held the rank of lieutenant colonel.

He is a graduate of the business school of the University of Pennsylvania and has held managerial posts for Penn Mutual in Philadelphia and Cincinnati. In Cincinnati he served as president of the General Agents' & Managers' Association.

#### Rowley Heads New Division

Norman W. Rowley, who has been general agent at Boston for almost four years, has returned to Philadelphia as head of a newly-established division of the home office agency, of which Joseph H. Reese is general agent. Mr. Rowley is eminently qualified for his new assignment, having done work of that kind in the same agency before he left for Boston.

Mr. Rowley's new division will be devoted to the induction and training of field representatives. He will also be in charge of expanding production locally and in outlying sections of the 13 Pennsylvania counties and 10 New Jersey counties and sections of Delaware and New York.

### Schwentker Retires in Phoenix, Ariz.

Frank B. Schwentker, Phoenix, Ariz., general agent of Pacific Mutual Life for 43 years, is retiring and will be succeeded by his son, Frank J. Schwentker, recently discharged from the navy as a lieutenant commander, and J. Otis Sullivan, agency supervisor. The agency will operate as Schwentker & Sullivan. P. D. L. McLaurin, agency supervisor since 1920, is also retiring.

Frank B. Schwentker was guest at a banquet attended by the staff and home office men.

### Union Mutual Names Walker in Boston

Hugh L. Walker, recently discharged air corps colonel, has been named manager of the Boston agency of Union Mutual Life succeeding J. O. Bogardus. Mr. Walker, joined Union Mutual in 1938 and managed the Syracuse agency prior to entering the service in 1943.

Mr. Walker entered life insurance upon his graduation from the Massachusetts Institute of Technology and had experience as an agent, supervisor, general agent, home office official, and as a consultant of the Sales Research Bureau. He spent 18 months overseas in the China-Burma-India theater where he served as communications officer for the 10th air force.

### Provident Life & Accident Opens Pittsburgh Branch, T. E. Hopkins Is Manager

Provident Life & Accident has opened a Pittsburgh branch office for its life and accident departments at 1805 Law & Finance building, under the direction of T. E. Hopkins as manager. It

## D. L. MYRICK

LAKE CHARLES, LA.

*President of our President's Club*



Mr. Myrick is the 1946 President of the President's Club. In qualifying as the top producer of all Great Southerners, he sold and delivered \$1,516,602.00 of personal life insurance in a twelve-month period. This is not only a record volume for our Company, but it also gained for Mr. Myrick membership in the Million Dollar Round Table for the third successive year.

He has now earned life membership in this select group of leaders in life underwriting.

Mr. Myrick's achievement is indicative of the opportunities awaiting sincere, determined men and women as representatives of the Company in our territory, the great and prosperous Southwest states of Texas, Louisiana, Oklahoma and New Mexico.

## GREAT SOUTHERN LIFE INSURANCE COMPANY

HOME OFFICE — HOUSTON, TEXAS

### YOU and NSLI

You, as a Life Insurance Man, are being asked many questions about National Service Life Insurance by the veterans in your community; they sincerely need your help.

Do not permit them to sacrifice their N. S. L. I. Advise them conscientiously and unselfishly. The friendly service you render today will be appreciatively remembered by your best prospects for tomorrow.

**LIFE Insurance Company of VIRGINIA**

Bradford H. Walker  
Chairman of the Board  
Robert E. Henley  
President



Home Office: Richmond  
Established 1871



J. D. Grannis, Jr.



R. L. Utne

strict and state supervisor of the national youth administration works project.

He has been in service 40 months as a lieutenant in the navy amphibious force and has returned to insurance after a period of study at the home office.

Perrin Q. Dargan has been appointed general agent at Spartanburg, S. C., to succeed Hugh T. Shockley, who has retired from managerial responsibility.



H. M. Faser, Jr.



P. Q. Dargan

ties after 20 years in that office. Mr. Shockley will remain as associate general agent.

Mr. Dargan last year completed 15 years with the Penn Mutual and has a distinguished record as a leading producer. He is a member of the Quarter Million Dollar Club and winner of frequent insurance honors including the National Quality Award of 1945.

He is a graduate of Wofford College and a past president of the Spartanburg Association of Life Underwriters.

#### Faser Returns to Boston

Henry M. Faser, Jr., after over two years' service in the navy as lieutenant commander, has resumed his post as general agent in Boston. Mr. Faser served as general agent at Boston from 1938 until he went into the navy in 1942.

He is a graduate of the University of Mississippi and the University of Pennsylvania. He started his insurance career by joining Penn Mutual in Philadelphia and attracted attention by his appointment as Penn Mutual's youngest general agent in New York City in 1935. Three years later he became general agent in Boston. There he has served as secretary-treasurer of the Boston C. L. U. and as a director of the Boston Association of Life Underwriters. J. Douglas Grannis, Jr., has been



H. L. Walker

O.N.L.I.



**Almost one-third  
of our Agency force  
—Actually 30%—are  
members of the App-  
a-week Club.**

*Careful selection; practical  
training, with attractive  
helpful Sales Aids are  
contributing factors.*

*The notable friendly  
cooperation of the home  
office assures success.*

Over One-Quarter Billion Insurance in Force.

**THE OHIO NATIONAL  
LIFE INSURANCE COMPANY**

CINCINNATI, OHIO



W. T. GRANT  
Chairman  
J. C. HIGDON  
President

Centrally Located  
Serving the Nation  
from Coast to Coast



**BUSINESS MEN'S ASSURANCE COMPANY**

KANSAS CITY 10, MISSOURI

*The Home of*  
**COMPLETE  
PROTECTION**

- LIFE • ACCIDENT
- HEALTH • ANNUITIES
- HOSPITALIZATION
- GROUP • ALL-WAYS
- REINSURANCE

will serve western Pennsylvania and also several counties in West Virginia.

Mr. Hopkins has represented Provident as general agent in Pittsburgh for a number of years, formerly being associated with his late father, W. A. Hopkins, who was a leader in the accident and health business in Pittsburgh for more than a quarter of a century.

Provident feels that the facilities of a branch office will better serve its fast growing agency force in western Pennsylvania and northern West Virginia.

## Onderdonk Succeeds Coffman, Retired

John A. Coffman, general agent for Connecticut General Life in Cleveland, has retired. Robert R. Onderdonk has



ROBERT R. ONDERDONK

been named manager. Mr. Coffman has been with Connecticut General more than 20 years. During this period the Cleveland office has grown to be one of the company's leading agencies. He will relinquish his responsibilities of management, but will continue to be available to his personal policyholders.



J. A. COFFMAN

Mr. Onderdonk goes to Cleveland after eight years' experience in life insurance. Since 1941 he has been assistant manager in the 42nd street office in New York City. A graduate of University of Pennsylvania; Mr. Onderdonk's first business connection was with Firestone Tire & Rubber Company in Cleveland.

## Crown Names Brown & Sons

Edward Brown & Sons, San Francisco general agency, has been appointed California general agent of Crown Life

of Canada. N. E. Cowan, who recently went to San Francisco to establish a northern California agency, is in charge of the life department there and E. B. Whelan is manager of the life department in the general agency's Los Angeles office.

## J. Russell Townsend, Jr., Associate General Agent

Lt. Comm. J. Russell Townsend, Jr., of Indianapolis has been placed on active duty by the navy and will become associate general agent of Equitable Life of Iowa at Indianapolis, where his father is general agent. Before entering the navy in 1942 he was field assistant in the agency.



J. R. TOWNSEND, JR.

He served in the navy department's insurance division of the office of procurement and material at Washington as life and group insurance specialist, supervising all coverages of this type held by navy cost-plus-fixed-fee contractors. He also supervised the insurance of all lines held by a number of shipyards.

Comm. Townsend also is known as a lecturer on insurance subjects and teaches insurance and C.L.U. preparatory classes in the evening division of Butler University. He is a C.L.U. and has a master's degree in insurance from the business school of the University of Pennsylvania. He is a former president of the Indianapolis Junior Chamber of Commerce.

## Rieckman Heads Chicago District of Metropolitan

Ervin A. Rieckman, formerly territorial supervisor for Metropolitan Life in the midwestern territory, has been appointed a manager and placed in charge of the Humboldt district, Chicago. He succeeds Raymond E. Storck who has been transferred to the Kenwood district there.

Mr. Rieckman graduated from North Central College and taught high school before joining Metropolitan at Aurora, Ill., in 1930. He was promoted to assistant manager in 1933 and was made field training instructor in 1939. In 1944 he was again promoted to territorial supervisor.

His headquarters are at 1954 North Western avenue.

## Fowler to Cedar Rapids for Pacific Mutual Life

C. H. Fowler, accident and health sales supervisor of the Pacific Mutual Life at its home office, has been appointed general agent at Cedar Rapids, Ia. He has desired for some time to resume active agency building in the field, and will endeavor to develop an agency preeminent in the life field as well as in accident and health coverage.

Mr. Fowler was for many years with Monarch Life in supervisory work and was serving as general agent of that company at Peoria, Ill., when he went to Los Angeles to join Pacific Mutual.

## Stewart Retires as Oregon Manager, West Coast Life

J. W. Stewart, West Coast Life manager for Oregon, has retired and has been succeeded by Kenneth R. Wilcox, former district manager at Hillsboro, Ore.

For Mr. Stewart, this marks the official end of a life insurance career which began in 1897 in Indiana. He was transferred to the west coast in 1902 and joined West Coast Life in 1909 as agency organizer in Oakland. He was promoted the following year to superintendent of the industrial department

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at Portland. During the next 35 years, he served West Coast Life in the northwest as general agent, manager, superintendent of agencies and manager for Oregon at Portland.

After seven years of retail selling and store management, Mr. Wilcox joined West Coast Life as special agent at Hillsboro in 1937. He was appointed district manager in 1939 following unusual success in the selling field.

### Rabinovitch an Active Association Participant

Jack Rabinovitch, new assistant state agent in Michigan for John Hancock Mutual Life, has long been a prominent figure in the local and state associations. He is past president of the Flint Association of Life Underwriters and the Michigan Association and past chairman of the Michigan Council of Life Underwriters. He has been with Northwestern Mutual for 17 years as a consistent producer. His duties center chiefly on the development of brokerage business and recruiting new agency personnel.



J. Rabinovitch

### Munro Union Central Acting S. F. Manager

William H. Brock, Jr., who recently resigned as San Francisco manager of Union Central Life, is joining the Erroll H. Clare agency at Bakersfield, Cal. The firm is to be known as the Clare-Brock Agency.

Mr. Brock, who has been in life insurance since 1936, has a knowledge of fire and casualty lines, having been interested in all lines for several years. He started in with Aetna Life in 1936 and was assistant general agent in San Francisco for Connecticut Mutual Life just before he became manager of Union Central.

Don W. Munro, who has been assistant manager, becomes acting manager of the agency. He has been interested in life insurance since his high school days and in agency development work for several years. He joined Union Central in 1941.

### Hammer Iowa Supervisor

Wray M. Hammer has been appointed agency supervisor for Iowa by National Life of Des Moines. He was with National Life 10 years before joining the navy three years ago.

### Mutual's New Coast Assistants

Mutual Life has named Harold H. Crawford assistant manager of the Seattle agency and William Rohloffs assistant manager in Portland, Ore. They will be responsible for the recruiting and training of new men.

### Hepfer Opens Oakland Office

R. H. Hepfer of the San Francisco agency of Bankers Life of Iowa is establishing an office for the company in Oakland.

### WANTED

Two ambitious Illinois men of executive sales ability as field supervisors Northern, Southern Illinois with 50 year old life insurance organization. Not over 40, several years of successful production, ready for promotion, capable of supervising growing sales force. Illinois our best sales state, ready for further development. Salary, commission, expenses. Brought to home office for special training, will be one of us, equipped with award winning sales aids. Give background in first letter. Address E-44, care The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

land, Cal. He was formerly manager there of California-Western States Life and previous to that for Travelers.

### Field Manager for Reliance Life

T. Vernon Chalkley, recently discharged from service, has been made state field manager for the departmental branch office of Reliance Life, recently established at Chattanooga.

### Franklin Life Changes in Ind.

Wayne A. Messmore has been appointed regional manager in northeastern Indiana for Franklin Life. Mr. Messmore was formerly associated with the Equitable Society.

Raymond F. McIntire has been appointed assistant general agent in Indianapolis. Mr. McIntire has for the past eight years been with the Harrison agency of Metropolitan Life in Indianapolis.

Arnold H. Jenks, a broker with the head office of Employers Liability, who has specialized also in life insurance since his graduation from Bowdoin College in 1935, has been appointed manager of the life insurance department of Field & Cowles in Boston.

Wayne E. Philips has been promoted by Prudential to superintendent at New Kensington, Pa. He started with Prudential at Oil City, Pa., in 1931 and was promoted to assistant superintendent there in 1933.

## CHICAGO

### HANDLES NEW GENERAL AGENCY

Active direction of the new general agency of Continental Assurance in Chicago created by appointment of the Youngberg-Carlson Co. will be in the hands of Samuel Leland, a skilled agency organizer. Much of the volume at first necessarily will come from brokerage, but it is the plan to build a substantial full-time agency force.



Samuel Leland

Mr. Leland has had considerable experience in recruiting and training agents, and in agency management as well. For a number of years he was a supervisor for Aetna Life in Chicago, then with Fred S. James & Co. there, as life and accident manager, and subsequently was Chicago general agent of Union Mutual Life. He has managed Youngberg-Carlson's life department for six years and it has made considerable growth.

### RETURNS TO JAMISON & PHELPS

Lee J. Loventhal, II, has been released from the navy and is again a special agent of Northwestern Mutual in the Jamison & Phelps general agency in Chicago. He was a lieutenant in communications and served for two years in the European theater.

### REDFIELD RENTS WHOLE BUILDING

Redfield Associates, managers in the Chicago area for Mutual Benefit Health & Accident and United Benefit Life of Omaha, has taken a 10-year lease upon the five story office building at 35 West Jackson boulevard and will move all departments in there May 1, following extensive remodeling and redecorating. The entire building including basement, save for the first floor which is now rented to various shops, will be occupied by the great organization which C. Truman Redfield has built up in the last 15 years.

The entrance and lobby are being done over completely and the building will be retitled Redfield Associates Insurance building. It represents the fulfillment of gradually crystallizing plans for

the ideal office which Mr. Redfield has been making for the past 25 years since he entered the insurance business.

The executive offices will be on the top floor, with the stenographic and accounting departments and premium collection on the fourth floor, claims on the third floor, agency activities on the second floor, and in the basement the stock, mail and photostat room, and mimeographing department.

On the third floor will be an agency meeting and school room capable of holding some hundred fifty people. Redfield Associates will have their own lunchroom for employees and for special occasions, with a well equipped kitchen.

Duane Z. Redfield, son of the manager and a discharged marine who saw combat in the Pacific fighting, is agency assistant and has many general duties.

Mr. Redfield in all has been in the insurance business for 26 years and has been connected with Mutual Benefit Health & Accident for 21 years and located in Chicago 15 years.

### WILLIAMSON RETURNS FROM NAVY

Robert M. Williamson is back producing for the J. F. Ramsey agency of Connecticut Mutual Life after four years in the Navy. Mr. Williamson was a lieutenant and served as night fighter director aboard carriers with the third and fifth fleet. He had been

with the agency for two years prior to his entrance into the service and is the son of W. W. Williamson, who headed the agency for many years when it was known as the Williamson & Wellbeloved agency. The younger Williamson has just returned from Hartford where he attended the home office refresher school for Connecticut Mutual ex-servicemen.

### MORE AVAILABLE TALENT

Chicago general agents find that there are far more men seeking connections now than for some years. Many of them are former service men, others have been engaged in war industries or other lines of endeavor during the war. There are some that are groping around trying to find a line of business where they can be independent and build up their own business.

General agents say that advertisements inserted in the daily papers draw a number of answers. Some have been advertising in the periodicals devoted to the service men. Some very excellent material has been forthcoming.

One manager gave it as his impression that the danger is the temptation to put on men regardless of fitness. The fact that so many men are available creates a desire on the part of an office



## AT THE HELM

of tomorrow's economic problems  
in America will be the "kids" of today. We owe them  
the best preparation that money can buy; that's why Life  
Insurance is part of their picture.

★ ★ ★

## GIRARD LIFE

INSURANCE COMPANY OF PHILADELPHIA

Opposite Independence Hall

### WITH PRIDE ..... WE SURVEY THESE PERTINENT FACTS:

Founded in 1887 with 58 years of steady growth and progress under sound and conservative management.

With over \$168,000,000 of life insurance in force, and assets of over \$46,000,000 it has paid over \$77,000,000 to beneficiaries and policyholders since its organization.

Represented by dependable Life Underwriters well trained to give sound advice to clients on their life insurance problems.

Our field men prosper, and through their efforts Bankers Life service has been distributed for all-time production totals each year for the past three years.



**Bankers Life**  
INSURANCE COMPANY  
OF NEBRASKA

## Build YOUR OWN AGENCY, OR BOOST YOUR INCOME ..

### Here's How:

The Wisconsin National helps you to success and security. It offers a new and attractive life agency plan with a group of select and salable policies—diversified policies—Life, Accident and Health.

Or, you can boost your present income. The Wisconsin National has the policies that will secure increased income for you through new business as well as renewals. Your commissions will be most liberal, supplemented by prompt claim service.

★ For contract and territory in Wisconsin, Illinois, Minnesota, Michigan or Indiana, address Agency Manager.

LIFE ● ACCIDENT  
● HEALTH ●

**WISCONSIN NATIONAL  
LIFE INSURANCE COMPANY**  
OSHKOSH, WISCONSIN

to fill its vacant chairs and get the machinery going at full blast.

Some managers are hiring all comers and, therefore, are taking many chances.

#### CHICAGO LIFE MEN'S RECORD

The Chicago Life Underwriters Association's "Fighting 400" closed the war bond drive selling \$100 million. This will be the last drive, as any other financing will be done privately by the government. In 1941 there were 700 life men in the crew but the number dwindled to 400. The Chicago life men's war bond committee has sold over \$1 billion to Chicago and Cook county institutions under the salary savings plan. About 1½ million employees subscribed.

George Huth, general agent Provident Mutual, has acted as chairman of the life underwriters committee since the beginning in 1941. He has devoted much time to the work. He has done this at the sacrifice of his own business but he regarded it as his contribution to the war effort. Those associated with him on the committee as chairmen of different divisions are Walter N. Hiller, Penn Mutual; R. D. Hinkle, Equitable Society; E. C. Hoy, Sun Life; John O. Todd, Northwestern Mutual; G. T. Vermillion, Mutual Life; Freeman J. Wood, Lincoln National; Earle S. Rappaport, Pacific Mutual.

#### UNION LEAGUE LUNCHEON

Clancy D. Connell of New York, president of the National Association of Life Underwriters, will address the insurance membership group of the Union League Club, Chicago, at a luncheon Jan. 24. He is making a special stopover to keep this assignment. He will be closing a trip to the coast and will be in Denver Jan. 23. He will leave there in the late afternoon, arriving in Chicago at 10:30 a.m. Jan. 24, and will leave for New York at 2:30 p.m. Mr. Connell is one of the most dynamic characters in insurance. He is head of the large Provident Mutual Life agency in New York City. He is a man who is probing every factor that has a bearing on insurance. Through his office channels flow much valuable information that is accurate and up to date.

His subject will be "Insurance—The Future."

Invited to sit at the luncheon table with Mr. Connell are Philip B. Hobbs, manager Equitable Society, Chicago, vice-president N.A.L.U.; H. Kennedy Nickell, Connecticut General Life, president Chicago Life Underwriters Association; Harry T. Wright, Equitable Society, ex-president National Association; George Huth and Willard Ewing, Chicago managers of Provident Mutual; Miss Joy Luidens, executive secretary Chicago Life Underwriters Association; Miss Lillian French Read, New York Life, director of the Chicago association. Vice-President F. Phelps Todd of Provident Mutual Life will be in Chicago that day and will be at the speakers' table.

#### JAMISON & PHELPS MEETING

The mood was one of celebration at the annual sales congress last Tuesday of the Jamison & Phelps agency of Northwestern Mutual, because the agency had climbed from third in company standings to a strong second during the past year and 1945 brought a 25.2% increase in paid business. General Agent Nelson Phelps told the 50 agency members present that more than \$500,000 of new annual premiums and nearly \$300,000 of single premiums were placed on the books the past year.

Opening speaker was B. N. Woodson, vice-president of Commonwealth Life who predicted that the next twenty years will see the amount of insurance in force doubled. He based this on the tremendous rise in national income; the desire to supplement social security; the switch of veterans to private insurance; continuing high taxes which leave insurance the only way to create an estate; continued low interest rates; increasing popularity of pension trusts; devaluation of the dollar. He said that in the future the life agent must sell

ideas, not arithmetic and try to take the customer's bottom dollar because insurance is a basic need, not a top dollar luxury.

#### Insurance Unique Industry

Grant L. Hill, Northwestern Mutual director of agencies, told the assembled agents that they were fortunate to be in the one business that had no labor trouble and no difficulty obtaining raw materials or finished products to sell. He said that life insurance sales are based upon friendship, the ability of the agent and the reputation of his company and urged each agent to make certain he was bringing each of these factors into play.

Ben Ruhl, leading agent of the Charles Eckert agency of Northwestern Mutual in Detroit and specialist in pension trusts, advised his hearers to select pension trust prospects from only those concerns which have a good background, future and earnings. He said that he tells each pension prospect that he will install a retirement plan eventually if he wants to hold valuable employees because competition between employers for employees will rest more upon differences in retirement benefits than upon a difference in salary.

Mr. Phelps presented awards to Richard M. Heffer, top producer; Lloyd Uebele, leader in lives written; Col. Robert S. Harris, leader among veterans, and Clarence E. Smith, best quality business.

#### NASHAM HAS \$5 MILLION YEAR

The Chicago Branch of Acacia Mutual Life in charge of L. O. Nasham passed \$5,250,000 of paid business in 1945, an all-time high, and \$1 million better than 1944. The 22 full time men had an average production of \$234,000.

## MANAGERS

### Richards Heads Hartford General Agents & Managers

George J. Richards, Monarch Life, has been elected president of the Hartford General Agents & Managers Association. W. Watson House, New England Mutual Life, was elected secretary-treasurer.

Thomas W. Russell, retiring senior member of Allen, Russell & Allen, was voted a life membership. Robert Wilkins, manager of the new ordinary agency of Prudential, opened in Hartford Jan. 1, was voted a member.

### National Officers in Toledo

Four officers of the Life Agency Cashiers Association of the U. S. and Canada were guests of the Toledo association. Helen McCoy, State Mutual, Detroit, president, spoke on the objects and plans of the association and R. M. Lavell, Manufacturers, Detroit, first vice-president and editor of "The Cashier", outlined plans for the official organ.

Other national officers attending were Jean Norton, Northwestern National, Detroit, secretary, and Wm. G. Fleming, Phoenix Mutual, treasurer. Six other Detroit-Windsor members accompanied the officers to the Toledo meeting.

### Spokane Managers Elect

Roy Phillips, Occidental Life, has been elected president of the Spokane (Wash.) Life Insurance Managers' Club. Joy Williams is vice-president; Horace Hathaway, secretary.

### Hear Secret Service Man

Lewis O. Padgett, supervisor of the U. S. secret service in Atlanta, addressed a dinner meeting of the Life Insurance Cashiers & Office Managers Association of Atlanta. The Aetna Casualty films, "Check and Double Check" and "Doubtful Dollars", portraying methods used by

forgers and by counterfeiters, were shown.

James D. Edgecomb, general agent for John Hancock Mutual, addressed the regular monthly meeting of the Fort Worth Life Managers & General Agents Club Jan. 7.

George Hoffman, former general agent of Guardian Life in Chicago, is preparing to start on his annual two months vacation in Palm Beach, Fla.

W. Clark Butterfield, National Casualty, president International Claim Association, will address the Boston Life & Accident Claim Association, Jan. 11.



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### Money for...

- PRODUCTION
- WORKING CAPITAL
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OUR BUSINESS is loaning you money in substantial amounts ... the one source in the U. S. that specializes and really understands your needs.

A renewal loan of \$4,500 costs you only 11 cents per day per thousand dollars.

A unique plan developed by us in cooperation with the Northwestern National Bank of Minneapolis.

## LIFE UNDERWRITERS CREDIT CORPORATION

MINNEAPOLIS 2, MINNESOTA



## ACCIDENT AND HEALTH

### A. & H. Committee of Commissioners Has Full Agenda

An important agenda has been prepared for the meeting of the accident and health committee of the National Association of Insurance Commissioners at the Stevens Hotel, Chicago, Feb. 7-8. Insurance Director Parkinson of Illinois is the chairman. The meeting follows immediately the mid-year gathering of the Health & Accident Underwriters Conference at the same hotel Feb. 5-6 and it is expected that a number of industry people will stay over for the commissioners' session.

The two meetings tie closely together, because several topics to be discussed at the H. & A. Underwriters Conference meeting, are those that are on the agenda of the commissioners' committee.

The morning of Feb. 7 there will be a meeting of the A. & H. subcommittee



E. W. Allyn

### Live Topics Before H. & A. Conference Mid-Year Meeting

J. W. Scherr, Jr., chairman convention committee of the Health & Accident Underwriters Conference, has announced the general program for the midwinter meeting of the conference at the Stevens Hotel, Chicago, Feb. 5 and 6. There are three half-day sessions, with a luncheon Tuesday noon, Feb. 5. Speakers will be announced later.

Two executive sessions will be held and an open session starting at 11 a. m. Feb. 6, with a round table discussion:

1. Shall we revise question in application: "Are you in sound health?"
2. Can we substitute another measurement of sickness disability for the "confining illness" clause?
3. Is standard phraseology for certain non-competitive provisions in accident and health policies feasible? By statute or ruling?

#### Wednesday Afternoon, Feb. 6

1. What place has group and franchise accident and health insurance in the program to provide social security through private enterprise?
2. Policy coverages—any weaknesses or needed amendments in—(a) disability income, (b) surgical and medical, (c) hospital.
3. Minimum and maximum size of groups: (a) true group, (b) association group, (c) franchise.
4. Underwriting practices (conversion privilege, waivers, selection in franchise and family groups).
5. Legal aspects of issuance of group and franchise coverages.
6. What groups are best written by master policies? By individual policies?
7. Specialty group coverages: (a) deferred installment insurance, (b) school insurance; (1) student body, (2) athletes; (c) summer camps, (d) sports groups (recreation), (e) fire departments, (f) others.
8. How can group sales be increased? (a) Broader viewpoint of eligible groups for true group coverage, (b) cooperation with doctors (Wisconsin plan), (c) cooperation with Blue Cross, (d) cooperation with unions, (e) cooperation with employers, (f) cooperation with professional societies.

#### Newspaper Hospital Policy

What is claimed to be the first newspaper hospitalization-surgical benefits policy ever offered was announced Sunday by the Chicago "Sun." The insurer is National Casualty. To get the insurance the applicant must be a subscriber.

For those from ages 2-55, there is a policy fee of \$1 and there is a monthly premium of \$1. The benefits are a maximum of 21 days' hospitalization at \$5 a day, incidental hospital expenses and there is a surgical schedule with a maximum of \$50. After a policy has been in effect for 10 months maternity expenses are provided up to \$40. For ages 55-65 there is a higher premium.

The policy does not cover dependents but a subscriber may purchase an individual policy for each member of his family.

Accident benefits begin immediately and sickness benefits after the policy has been in effect 30 days. Expenses of tonsillectomy and appendectomy are payable only after the policy has been in effect 10 months.

Where there is no home delivery a subscriber may get the policy by paying three, six months or one year's premium in advance.

#### Spokane Agency's Record

Earl F. Pettibone, who retired in November after 30 years with the Spokane, Wash., agency of Mutual Life, was honored at the agency's annual meeting and dinner.

The agency award for quota achievement went to John Tichbourne of Wenatchee, with 211%. The agency as a whole made 193% of its quota in 1945.



JESSE WHITE

on revision of the official guide to aid insurance departments in scrutinizing policy filings. The chairman of that subcommittee is Allyn of Connecticut. The full committee will meet that afternoon and the next morning and will take up the matter of uniform insuring clauses, with a special emphasis on the house confinement clause. They will also consider uniform benefit provisions and a definition for wholesale and franchise insurance.

In the afternoon of Feb. 8 the subcommittee on standard provisions legislation will go into session. The chairman is Commissioner White of Mississippi.

#### Wetterlund Milwaukee Speaker

MILWAUKEE—R. J. Wetterlund, vice-president and general counsel of Washington National and president of the Health & Accident Underwriters Conference, spoke on "The Future of the Accident and Health Business" at the luncheon of the Accident & Health Underwriters of Milwaukee Wednesday. Plans were made for a large delegation from Milwaukee members to attend the Association at Wichita, Jan. 23-25.

Write more accident business by subscribing to The Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

## LEGAL RESERVE FRATERALS

### Ponder Amendment in N. Y. to Boost Fraternal Reserves

NEW YORK—In connection with the New York department's efforts to see that all fraternal licensed in the state have reserves that are adequate in the light of present low interest earnings, a committee appointed by the New York Fraternal Congress met with Deputy Superintendent Raymond Harris and the department's chief actuary, C. C. Dubu- ar, and another meeting is scheduled for this week. A number of the fraternal have voluntarily strengthened their reserves but there are some which have not and the department is seeking an amendment to the law which would bring about the desired result.

In a letter to all authorized fraternal societies Superintendent Dineen on Oct. 26 reviewed the situation and pointed out that with very few exceptions the current earnings are more than sufficient to provide the desired yearly additions to the contingency reserves and in the case of societies which may find it difficult to accumulate an additional contingency reserve, "it can be expected that some readjustment of members' certificates will eventually become necessary even though no changes are made in the present law."

The proposal was to accumulate an extra contingency reserve over a five-year period. This reserve would cover outstanding certificates valued at a 4% interest rate, equal to the difference between reserves now computed at 4% and the corresponding reserves according to the American experience table at 3½%, including deficient premium reserves, while on Dec. 31, 1950, the full extra contingency reserve would become

a liability and included in the solvency test. The amendment would further provide that if good cause is shown the superintendent may extend the period within which to accumulate the additional contingency reserve for a period not exceeding two additional years.

#### Pennsylvania Officials Present

The Pennsylvania department was represented by Actuary LeVita and Deputy Oscar A. Kottler, in charge of Philadelphia branch office.

E. R. Deming, president Unity Life & Accident, spoke for the congress' executive committee. Discussion revolved around three questions: The time limit after which all 4% business would be revalued on 3½% basis; the penalty if a society did not meet the requirement, and the basis on which additional reserves would be computed.

The representatives appeared to be in favor of extending the time limit from five years (with an option of an extra two years to be granted by the superintendent), to seven years, with a three-year extension privilege, subject to the superintendent's discretion. The department appeared to favor changing the provision as to extra reserves becoming a liability Dec. 31, 1950, and included in the solvency test, to a penalty on which the questions of constitutionality or cancellation of license would not be present. The department wants a provision that a society which cannot or does not meet the requirement within the time limit would not be permitted to continue issuing certificates in the state.

Several actuaries present asked that on the third point, basis on which additional reserves would be computed, the provision in the bill be changed to permit greater flexibility. The department in a letter to societies Oct. 26 mentioned American experience 3½% as the desirable basis on which the deficiency

### Let me tell you the true story of "SMILING SAM"



by Walter C. Below, President  
FIDELITY LIFE ASSOCIATION  
Fulton, Illinois

This is the pleasant kind of tale we like to relate. Same is not the real name of the hero of this story, but how that boy can smile. And therein lies the heart of this sketch.

Sam came with Fidelity Life Association a quarter of a century ago, and is still a young man.

In those days people were first reading "Main Street" . . . talking about the recent marriage of Douglas Fairbanks and Mary Pickford . . . listening to their very first radio broadcast of election returns.

In the years that followed, Sam made good with us. Through the hectic boom years of the 20's, the harrowing depression years of the 30's and the sorrowing war years of the 40's, Sam worked, served—and smiled through it all.

Today Sam has about 1000 policyowners, or about one in every ten persons in the county, all written personally. He is the life insurance man of the territory and always ranks among Fidelity Life Association's top ten producers.

A home office representative re-

cently spent a week in the field with Sam, found that, young and old alike, all called Sam by his first name, were charmed by his smile, respected his judgment. One remarked, "Sam, how do you keep on smiling all the time; it's the best darned tonic in the county." Sam replied, "It's easy. I like my work."

A rival life insurance man devoted 15 minutes of his own radio program extolling the virtues of Sam and telling of his work. This is the type of good-will you can't buy!

Thus you learn of another inspiring relationship between Fidelity Life Association, its representatives and the public. This relationship is open to men and women of character, who, like Sam, are interested in working conditions under which they can prosper and smile—through the years.

and additional reserves should be computed, but at the hearing seemed to feel other bases such as American Men or CSO could be used.

### W.O.W. Membership Drive for Newberry Over Quota

The quota for the membership drive staged country wide in Woodmen of the World Life, Omaha, in October and November, honoring President Farrar Newberry, was exceeded by over 10% in number of new members and 4½% in volume of new business. States east of the Missouri river, captained by C. H. Fabian of Atlanta, Georgia, manager, competed with those west of the river, captained by J. R. Sims of Dallas, Texas

manager. The goal was 15,000 new members and \$20 million of new insurance, but 16,723 new members and \$20,893,000 of insurance were secured.

Texas was champion with 2,574 new members and \$2,917,187 new insurance written. The "East" team captured first place with 10,379 new members and \$13,006,870 new business, compared to 6,344 members and \$7,886,263 new insurance reported by the "West" team.

Seven other states each reported upwards of a million dollars of new insurance and six others about 1,000 new members each.

Competition was keen among field men who were competing for all expenses-paid trips to the Woodmen national convention in Jacksonville, Fla., Feb. 4-9. The winners are A. E. Le-

doux, Iota, La., \$400,500 new business written; J. B. Blalock, Louisville, \$326,000; J. E. Blackwell, Campobello, S. C., \$321,750, and H. A. Melvin, Elizabethtown, N. C., \$264,000. Eleven other field men reported from \$100,000 to \$226,000 new business.

Some 23,000 veterans of the last war who are members of the W. O. W. are to be honored in public meetings this month and next, sponsored by most of the 8,000 local Woodmen camps. Their names have been compiled by the head office and an appreciation certificate signed by President Newberry and Secretary W. C. Braden, will be presented to each returned veteran or a relative. Practical assistance to the veterans is being promoted by the Woodmen society through the camps. Camp commanders have been requested by President Newberry to survey employment opportunities and assist veterans to find jobs.

### C. H. North Dies

Charles H. North, secretary of the German group of Unity Life & Accident and former secretary of the National Bavarian Association of North America, died at his home in Buffalo. He would have been 84 on Feb. 13. Born and educated in Germany he went to Buffalo in 1877. In 1934 the Bavarian association was merged with Unity and since then Mr. North looked after the affairs of the Bavarian membership at his office in Buffalo. He was an organizer and first president of the Bavarian Singing Society which celebrated its 40th anniversary Nov. 7. He was also a founder and first president of the Old German Memorial Hospital in Buffalo, which was later bought by the Salvation Army.

### Seven W.O.W. Men Win Honor

Seven officers of Empire State Camp 7 of W.O.W., Atlanta, have been selected as the outstanding corps of officers in fraternal ritualism in the United States. Their selection was made from officers of 8,000 camps in the organization. They will be presented gold lapel buttons and a trip to the W.O.W. convention at Jacksonville, Fla., in February. The seven are Wiley N. Bagwell, past consul commander; E. T. Williams, consul commander; H. J. Ray, advisor lieutenant; W. H. Newman, banker, and C. F. Whaley, escort.

## POLICIES

### Mutual Life Scale Same

Policyholders of Mutual Life will receive \$14,850,000 in dividends during 1946, it was announced. The dividend scale for 1946 will be the same as in 1945, although the total amount of dividends payable will be \$408,000 greater than last year, because of the larger volume of insurance in force.

### Has New Non-par Annuity Rates

West Coast Life has announced new rates for non-participating single premium immediate annuities and cash refund annuities based on a 2% interest assumption, effective Jan. 15.

## SALES MEETS

### Royer Agency Gathering Is Held in Chicago

James M. Royer, general agent in Chicago for Penn Mutual, held his annual meeting at the Edgewater Beach hotel. The entire agency attended the morning session and wives of agents were present in the afternoon. At a banquet, gains for 1945 over the same

period a year ago were announced: Paid life volume 5% increase; paid lives 8%; new paid premiums 23%; paid annuity volume 1%. Gains in December were: paid life volume, 62%; number of paid lives, 31%; new cash premiums, 97%; paid annuity volume, 1%.

Mr. Royer presided at both morning and afternoon sessions. William Elliott from the underwriting department at the home office was a speaker.

The agency's gold cup presented by Mr. Royer was awarded to Stearns Agar for his outstanding achievement for the year. He led the agency in paid lives and paid volume.

### B. J. Stumm Holds Agency Conference in Chicago

Twelve district agents of the B. J. Stumm general agency of Northwestern Mutual with headquarters in Aurora, Ill., held a conference at the Edgewater Beach Hotel, Chicago, to discuss sales, recruiting and training plans for 1946. The Stumm agency has had a successful year. Agents under Thomas A. Lauer, Joliet, led the agency with the Ludvig C. Monson district agency at Rockford coming second.

## ASSOCIATIONS

### Oklahoma Features Four Headliners

OKLAHOMA CITY—Reconversion to practical selling will be featured at the Oklahoma Association of Life Underwriters' annual sales congress here on Jan. 11. H. P. Gravengard, associate editor Diamond Life Bulletins, will discuss "Business Life Insurance," Lynn Broadus, Chicago manager Guardian Life, "Inside Yourself," Newell C. Day, Davenport general agent Equitable of Iowa, "Color in Selling," and Charles Seay, Southwest Life, Dallas, on "The Time Is Now."

St. Louis—At the veterans' affairs seminar sponsored by the St. Louis Association of Life Underwriters, lecturers included Irvin Barker, Ralph Johnston, William Kieffer, William King, and Frank B. Jackson, representing the association as well as Veterans' Administration officials.

Spokane, Wash. — Clancy D. Connell, N.A.L.U. president, spoke Jan. 7.

Minnesota—The annual sales congress will be held in St. Paul March 14.

Lansing, Mich. — A veterans' affairs seminar will be held Jan. 18.

Chicago—The next meeting will be Jan. 17 with Arthur P. Priebe, associate general agent of Penn Mutual, Rockford, Ill., as speaker. He will take as his subject "Sensible Programming." He is among the first 10 in personal production for the Penn Mutual for the last four years. He qualified for the Million Dollar Round Table in 1944. He had no cases over \$50,000, although 41 were \$10,000 or more. He has a record of 508 consecutive weeks of production.

### Minn. City Can't Pay Premiums

Attorney General Burnquist of Minnesota has held that a city may not use any of its funds to pay any part of premiums required for carrying out a retirement or pension plan or for group insurance or a hospital service plan.

The Accident & Health Bulletins help get business. For information write 420 E. Fourth St., Cincinnati.

### THE WOMAN'S BENEFIT ASSOCIATION

Founded 1892

A Legal Reserve Fraternal Benefit Society

Bina West Miller Supreme President Frances D. Partridge Supreme Secretary

Port Huron, Michigan

1878



1946

## FRATERNAL HOMECOMING!!

A campaign from January thru July has been announced culminating in a huge August convention in dynamic Detroit. Field workers throughout the United States and Canada are diligently combing their prospect files to obtain the business necessary to qualify.

Drill teams from coast to coast are practicing their routines for spirited contests. Truly a FRATERNAL homecoming . . . . .

## THE MACCABEES

Home Office in the Maccabees Building  
DETROIT 2, MICHIGAN

### A. O. U. W. OF NORTH DAKOTA



THE PIONEER

Some choice territory open for competent State and District Managers

HOME OFFICE

FARGO, NORTH DAKOTA

Legal reserve life and disability insurance—protecting the family since the days of the covered wagon.

All standard forms of legal reserve adult and junior life insurance contracts issued. New junior policies now issued on the C.S.O. table of mortality with full face value at age 5.

Non-cancellable health and accident providing for 52 weeks of disability.

## PROTECTED HOME CIRCLE

SHARON, PA.

FOUNDED IN 1888

A Legal Reserve Fraternal Insurance Society

B. H. HADLEY, Supreme President L. D. LININGER, Supreme Secretary  
SHARON, PA.



# Sales Ideas and Suggestions

## Keep Up with Business or Fail, Ray Frank Warns

Many a life agent builds up a successful business and then loses it because he fails to keep up with the times, Raymond W. Frank, Chicago general agent of State Mutual Life, told the Life Agency Supervisors of that city at a luncheon meeting Thursday. A man cannot sit back and coast once he has attained success, Mr. Frank said. Constant change in needs and techniques, in the economic situation and in sales methods demand that an agent keep an alert mind, study his business continuously, and watch for new sales trends so he may capitalize on them.

For instance, 20 years ago when Mr. Frank entered the business package selling was the most popular and effective medium, he said. Then in the early '30s came the turn to the minimum income sales talk. A year or so later time control was the watchword and then an agent who did not know something about settlement options and programming didn't have much of a chance.

### Then Came Social Security

The next development in the business was that of emphasis on wills and trusts, and about 1939 came the social security approach as an aid to selling life insurance. But this was not the end. Business insurance, which always had been in the kit of the more successful life agents, was being emphasized, and more recently it became necessary for agents to have a first hand knowledge of taxation, both as to incomes and estates.

In the last three or four years there has been a tremendous swing to the sale of pension trusts. A great deal of money was made by the more successful agents in this field, for it opened a market for insurance that was undreamed of only four or five years ago. Right now everything is juvenile life insurance.

"In my opinion if a life insurance man is to keep up with his business, he must not only know but continue to know something about all of these types of sales," Mr. Frank said.

He stressed that there will be other selling methods as time goes on and the agent who is not on his marks will be left behind by those who are and adapt themselves to the newer techniques.

### Definitizes the Problem

"In life insurance selling there are many successful plans," he said. "The problem is to have them work fast enough and often enough." He said years ago a very successful general agent of State Mutual who has retired after 51 years in the business said he thought men failed in it because of lack of prospecting, knowledge and time control; because, although they may have been successful for a number of years they let their business get ahead of them. Mr. Frank asked why, when general agents and research men in the business report 60 to 85% of the success in it is dependent upon the ability to prospect, the agents do not do more about it. Less than 10% of training, education, supervision and meetings is devoted to this subject. It cannot be treated incidentally but is of great importance, Mr. Frank commented. "Prospecting can be learned, but it must always be practiced and the clientele is sure to follow such efforts."

Mr. Frank likes the package sale. It is the way he started to sell life insurance. "It is an all-inclusive sales process," he said; "the approach, presentation and close. A good life insurance man should be able to give a good

package sales talk whenever the occasion demands it. Objections to life insurance are more prevalent in package sales and the life insurance man should be able to answer those objections immediately and correctly.

"You may think it strange that I talk about an insurance man's inability to make a package sale, but I know a number of them who in recent years have got themselves so involved in the ramifications of our business that today they are unable to make a good strong life insurance talk to sell a \$2,500 or \$5,000 policy. Give me a man with a good background of package sales, with a well diversified list of policyholders, and I will show you a man well on the way to permanent success in our business. A package salesman must have skill, and it improves his skill in direct proportion to the number of package sales he makes."

The minimum income talk is several steps ahead of the package sale and really is the beginning of a program, Mr. Frank said, for it brings a prospect right down to the bare minimum income his family will have to have without his income and makes him stop and think. "My experience is that your prospect is never satisfied with providing only the very minimum income to his family."

### Settlement Options very Useful

Work with the settlement options can be made simplified programming. This ties in closely with the minimum sales talk and with the social security approach. It is through use of settlement options that life insurance may be made to provide monthly incomes, life incomes, educational policies, and so forth, Mr. Frank said, and the agent will learn from experience the use of not only one settlement option but of a combination of them in arriving at the desired results for the client. Agents must be familiar with the spendthrift clause, with the common disaster clause and how it can be placed effectively and simply in insurance policies.

"Under today's basis, settlement options and practices of companies in connection with their use are constantly changing," he said. "We must keep up with the changes in most of the prominent companies otherwise we cannot effectively program one's insurance. In my opinion, programming and settlement options put you in closer contact with your policyholder and tie him to you more than any other method I know of."

### Must Keep Program Modern

He said as a result agents accept a great responsibility; they must change the program with conditions otherwise the insurance settlements they are providing will not do the job wanted of them. In any event, he said, whether the program is perfect or not does not matter, for an attempt at programming is much better than a cash settlement or no program at all. In connection with programming the agent must be aware of the tax or tax free conditions of the payments to the beneficiary. This is a part of keeping up with the business, he said.

Agents also need to know about wills and trusts, for many situations cannot be solved without the use of a trust company and many estates should be trusted while the life insurance should be left under settlement options. Agents also should know about the intestate laws of the state in which they live;

what happens to property, both real and personal, if the policyholder dies intestate. Agents are not attorneys and never should attempt to do a lawyer's work, but they can urge a client to have a will drawn and to some extent direct him in making out his will, whereas the ethics of the legal profession prohibit lawyers from soliciting this business.

### Another Duty of Agent

Social security he finds the easiest door-opener yet devised for insurance men. It is the government's attempt at programming. Most everyone is under the act and few know the benefits. No one tells the public about them and it is up to the insurance men to do so.

"The greatest under-insured market we have is among the group earning \$3,000 yearly and less," he said. "We should know what papers are necessary, what board to go to in order to put in a claim. We should know that today where are 1,120,000 who are beneficiaries one way or another under the act and that approximately \$20,500,000 is being paid out monthly under the act. We should be familiar with the fact that on today's basis approximately 700,000 workers that were once retired have given up their benefits and gone back to work. A widespread layoff of the older workers would practically double the benefit rolls within a year as there are now about 700,000 men and women past 65 who are in a fully insured status but have not made claims but prefer to work."

### Tells Things to Know

"The inroads of personal taxation we are all familiar with. With the bracket the top money is in, we should be familiar with salary stabilization and salary freezing. We should be familiar with the fact that an employer can give a 5% increase in salary without approval if money goes into insurance. We should know something about estate taxes, their rate, and gift taxes—what we can and cannot do in order to avoid these taxes."

"The government is constantly putting more and more stops to the avoidance to the extent that the American public is resigned to the fact that they should pay their taxes. We still find plenty of situations where if the correct methods are used the tax can be lessened permanently. I have never been in favor of tax avoidance schemes. They are not lasting, and you have to face your client after the law has been changed. If we never do more than stick with the simple facts of selling life insurance to pay the tax—providing the cash to pay it—we are doing a swell job."

He also said agents should know what a pension trust is and the law regarding it; what is the difference between an individual policy plan, group policy plan, profit-sharing plan, funded and unfunded plans, bank and trust company administered plans.

Mr. Frank said pension trust work is taking thousands of policyholders out of the market because of the death benefit and retirement benefits that are being provided by these plans. "It is a bandwagon upon which a life insurance man has to get if he is working in a metropolitan community otherwise he has to specialize in other fields."

### Medical Examiners Now More Plentiful

With many physicians returning from war service life companies are relieved because there has been a scarcity of medical examiners and in some cases it has been impossible to find a competent physician. Many are now seeking connections with life companies.

There is a movement in the Pacific

## Minnesota Mutual Sets Records in Honor of Phillips

With \$10,595,998 examined business in December, Minnesota Mutual Life exceeded its best previous month by \$3½



millions in a campaign honoring President T. A. Phillips during his birth month. Mr. Phillips is shown at his desk looking over some of the 1,800 telegrams and cards notifying him of the results. Paid volume also exceeded previous records with a total of \$9,445,107. Total in force now stands at \$347,261,000, a gain of more than \$40½ millions for 1945.

## Stir Up Unclaimed Death Benefits Issue in R. I.

In connection with the study in Rhode Island of legislation to conform the state laws to the S.E.U.A. decision and public law 15, the matter of unclaimed death benefits of life companies has been stirred up. W. E. Powers, member of the lower house of the Rhode Island legislature and chairman of the interim commission studying law revisions, announced that this matter will be explored as "a possible source of revenue for the state." He declared that the committee had instructed Commissioner Carroll, who is secretary of the interim committee, to questionnaire the life companies on the amount of money they now hold in unpaid death benefits. He declared such funds "certainly do not belong to the insurance company."

northwest by one of the prominent medical societies to make the fee \$7.50 as the cost per examination. It is not thought that this will gain much favor because the \$5 fee has been universally established and doctors mostly have been satisfied with it.

### Extend Non-Medical

Owing to the lack of medical examiners many companies have extended their non-medical operations, although adhering to fundamental principles as to age, maximum amount and location. A non-medical practice has been of great value in rural communities. It is not so difficult to get accurate inspection reports in the smaller places and the agricultural districts because people are acquainted with everyone there. Most companies put the maximum at \$5,000. The experience has been favorable.

Henry A. H. Baker, assistant general manager of Great-West Life, has returned to his desk after some months' absence, due to illness.

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## N. W. Mutual Men Hear Bullish Talks

(CONTINUED FROM PAGE 1)

should not climb to a new high level in the post war years, he declared.

Grant L. Hill, vice-president and director of agencies, added several details to fill out the picture of the company's year. There was an 11% increase in new business in 1943, 16% in 1944, and 20.5% in 1945, he said. This made 1945 the best year since 1930, with a produc-

particular uses of life insurance, including the meeting of taxes, insurance as property and as an investment, and with estate analysis.

One idea that has resulted in sales in connection with taxes is for a grandfather to give money to a grandchild or grandchildren who buy insurance on the father, son of the donor. The grandfather divests himself of the incidents of ownership and distributes much of his estate before death. Or, if he doesn't like to vest ownership in minors, he gives the money to his daughter-in-law, who buys insurance on her husband, son of the donor, and accomplishes the same purpose.

He suggested that agents do not pay enough attention to the income tax situation with respect to matured endowments.

### Idea Is Spreading

Mr. Fluegelman believes that the property concept of insurance is becoming more important and more widely recognized by the public. Its high character as desirable property is being recognized more and more, he said. As property it guarantees principal and interest, permits choice of lump sum or income, dividends are not reportable, although dividends on bonds are, etc. He also emphasized the value of 10-payment life because after the first year the cash value is more than the premium and the insurance "is thrown in for nothing," and 5-pay life also has some very excellent features.

A good many clients now are worried about inflation, he said, but their real concern is the change in the value of the dollar, and this has always fluctuated anyway. The policyholder pays in average dollars and he gets average dollars in return.

There is more interest in estate planning, Mr. Fluegelman said. Actually es-



GRANT L. HILL

tion of approximately \$319 million. The increase in insurance in force was the largest since 1931, and the average policy in 1945, \$5,500, was the largest in company history.

Mr. Hill said he is very encouraged as to the possibilities for 1946. The accomplishments of 1945 were done with 22% of full time men, as compared with 1940. What can the company do with a full field force in 1946? The men, 18 to 38, are returning, and, of course, this is the chief market for life insurance. The year 1946 should be the largest in life insurance, he believes.

### Prospects in Many Fields

In the field of selling Mr. Hill recommended the building of qualified lists among men in businesses that are due to boom—sales managers, salesmen, managers, and others in the building, automobile, appliance and other fields. There are any number of businesses due for a period of unusual prosperity, he said.

He emphasized the importance of rendering a constructive and sincere service to returned veterans. It is just plain good business, he asserted, aside from the very real debt that the people on the home front owe these men.

It is a period now, he declared, when study of the business and personal efficiency will pay off as never before.

David B. Fluegelman, special agent New York City and president of the New York City Life Underwriters' Association, said the amazing thing about life insurance is that, although it is tough competitively, whenever anyone in the business gets a new idea, he passes it along immediately. This perhaps more than anything else characterizes life insurance as a profession, except that it goes further in this respect than any other profession except medicine.

### Sees Two New Ones a Week

Mr. Fluegelman, who is a million dollar producer, said that when he started in the business he set himself the goal of seeing at least two new people each week, and that he had been doing it ever since. This gives him 100 new prospects a year, and if it is actually done consistently he believes it will solve many of the agent's prospecting problems.

Mr. Fluegelman dealt with several

point beyond which it is more economical tax wise for the corporation to buy insurance than for the individuals to buy the insurance on each other, Mr. Proctor said. That point, he believes, is \$10,000 income or more.

The agent can often perform a service of real value by surveying the insurance purchased on key men to check for transfers for value and other taxable transactions. He cited a case in which a corporation theoretically had a considerable amount of insurance on a key man, but at one point along the line the firm had taken most of it "for value received," which put the concern in the excess profits bracket.

### \$14 for \$1 Invested

Wilbur Pratt, special agent at Hartford, described how he prepares the prospect for the interview. He sends out pre-approach prospect letters to both known and unknown names. He follows up those from whom he hears and then makes a pre-call. He makes appointments from inquiries. The results of his premailing system, which is done at the cost of seven cents per letter, is a \$14 return for every one dollar invested.

J. Robert Guy, assistant to C. L. McMillen, New York City general agent; L. J. Evans, assistant director of agencies, and Malcolm A. Drane, special agent New York City, explained the company's new "planned incomes" folder.

Some of the processes found effective in the war to attain objectives could be applied to life insurance, Albert R. Hahn, special agent at Philadelphia, said in his talk. Mr. Hahn was a combat intelligence officer whose job was to brief his men so they could accomplish their mission with the greatest safety in the shortest time. He believes that the same tactics can be applied to the solicitation of insurance, in the development of prospects and closing business.

Ernest H. Earley, special agent, New York City, presented an inspirational talk on "What's Wrong With This Business"; J. P. McDonald, agency secretary, "How to Retire on Tax Free Dollars," and Ben Redfield, special agent, Boston, "How to Bring the 'Expert' into the Pension Prospect." Arnold Belais and Ernest Hickok, New York City, presented a practical sales demonstration illustrating, in reverse, how to make a sale. Gerald M. Swannstrom, general counsel, was toastmaster at the dinner-dance.

The general agents' meeting will be held at the Edgewater Beach Hotel, Chicago, in March, and the company convention in Milwaukee in July.



D. B. Fluegelman



E. T. Proctor

tate planning is only glorified programming. All the agent does is to take the client's estate over and above insurance and do the same thing with it that he did with the insurance. Mr. Fluegelman warned the agent not to stress the value of insurance in comparison with other types of property. The client took time, worry, effort and judgment to accumulate the other property, and to make odious comparisons is to slap the man in the face. The agent can, however, stress that income from insurance is determinable in advance, because that is a distinct advantage of the insurance in the man's estate.

Several ideas on business insurance were contributed by E. T. Proctor, general agent at Nashville. Under a sole ownership, he said, it is sometimes advantageous for the business man to buy personal insurance payable to the family in order to get insurance away from the hazards of the business. Sometimes he should increase the salaries of employees in order to permit them to buy insurance on his life because he can increase his take home pay in this way.

Under a partnership coverage, Mr. Proctor suggested that the present income tax will not permit a partner to accumulate enough from income to buy the partner's interest, and life insurance is the only answer.

Under close corporations there is a

## RECORDS

**Seranton Life**—Paid business for 1945 exceeded \$4 million and was the largest amount in any year since 1932. The increase for 1945 over the preceding year was 20%. Insurance in force is about \$40,700,000, an increase of \$2½ million. The December paid business was 18% ahead of December, 1944.

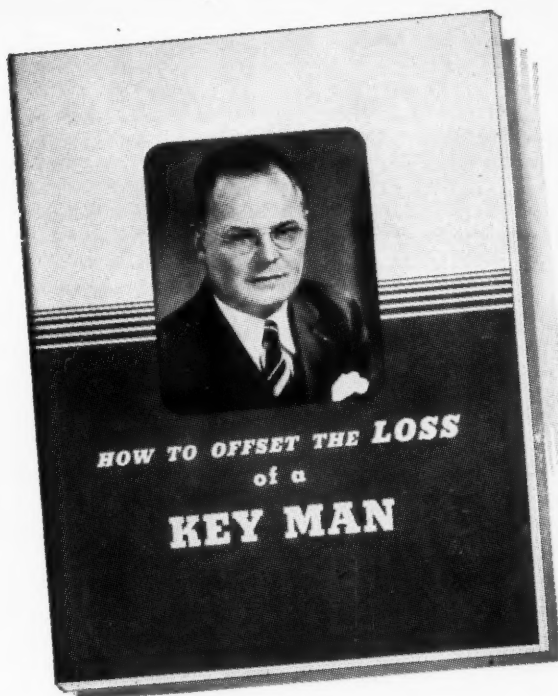
**Fidelity Mutual**—Closed 1945 with \$46,266,189 of new paid business, 27.9% better than the previous year. The increase of insurance in force was \$31,112,892, the greatest yearly increase in the history of the company. Insurance in force at year end was \$458,690,960.

**Equitable Life of Iowa**—Reports total paid life insurance for December amounted to \$7,909,000, a gain of \$3,391,000 or 75.1% more than December, 1944. Paid business for the entire year of 1945 amounted to \$73,763,000, a gain of \$17,182,000 or 30.4% more than 1944. Seattle was the company's leading agency for the year with \$3,560,000.

**Iowa Life**—Has completed \$29,044,000 of issued and paid for business. The company had applications for approximately \$31,000,000 of cash-with-application annual premium business last year, and believes this to be a world record for any company in its first year. The surplus has been increased by more than \$100,000 since Jan. 25, 1945. December production was \$1,402,500.

**Volunteer State Life**—December paid business was 38% over December, 1944. December gain in written business was 35%.





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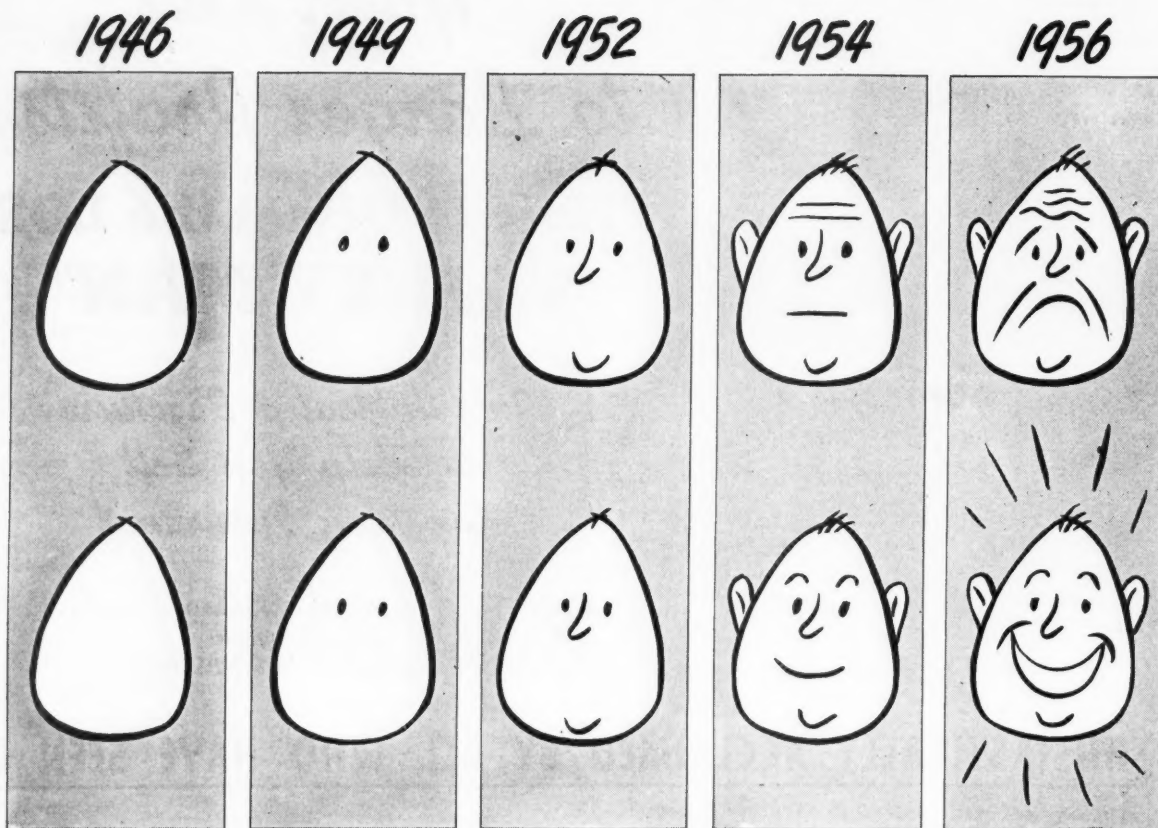
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